







OVERSEAS NEWS

Call for 'urgent action' by U.K. firms in S. Africa

BY BRIDGET BLOOM

A DETAILED programme of "urgent and immediate action" by British companies operating in South Africa...

The report, containing a foreword by Mr. Jack Jones, leader of the Transport and General Workers Union...

Equally tough words come from Mr. Jones, who declares in his foreword that "too many one of which—Smith and Nephew, the pharmaceuticals manufacturer—has actually encouraged and negotiated with black trade unions...

The report believes that it is the long-term interest of companies operating in South Africa to encourage the formation of black trade unions...

democratic rights at the work place.

In that this would aid black workers ultimately to find a power base in South Africa, the report enters the political arena and seems bound to be criticised by industry with South African connections.

However, the report points out that black unions are not illegal under South African law, and a good deal of discretion is given to companies wanting to encourage and negotiate with black unions at plant level.

Many companies, it says, have gone so far as to state publicly that they are prepared to negotiate with black trade unions "but in practice these declarations are so bedged around with conditions as to render them largely meaningless."

The report analyses case histories of five British companies operating in South Africa, only one of which—Smith and Nephew, the pharmaceuticals manufacturer—has actually encouraged and negotiated with black trade unions...

The Smith and Nephew experiment ended in July this year, partly, the report suggests, because of pressure brought on it by the South African Government.

ment, although this is denied by the company's management.

Leyland, which with Pilkington Glass, Metal Box and Unilever, is also examined in the report, did, it is suggested, actively discourage the formation of black unions and according to a union member called in the Special Branch "to block the organisation of workers" in 1974.

A Leyland spokesman denied this latter accusation last night, adding that the report was "selective, prejudicial and in many cases inaccurate."

Though in 1976 Leyland said the company "could not reasonably recognise an African trade union for bargaining purposes... without setting our business and employment at risk," it is the spokesman said yesterday, broadly in favour of the programme of action recommended in the CCSA report.

The programme is aimed not at companies setting up or doing the job of black trade unions—but of dismantling their effectiveness—but of dismantling their effectiveness by using currently coercive and discriminatory machinery in the labour field and creating "an environment in which more open-ended options become viable for blacks and acceptable to whites."

Black Trade Unions in South Africa: The Responsibility of British Companies. CCSA, 1 Cambridge Terrace, London, N.W.1.

Israeli opposition to early talks on Geneva agenda

TEL AVIV, Nov. 6.

ISRAEL HAS rejected an Egyptian call for early talks to prepare an agenda for Geneva peace conference, the Government radio said today. The Government prefers to stick to the letter of an American working paper calling for talks with a united Arab delegation, the report said.

The Cabinet decision in Jerusalem came after a briefing by Foreign Minister Moshe Dayan on week-end developments including comments by Egypt's President Anwar Sadat and Foreign Minister Ismail Fahmy.

Government sources said they were against preparatory talks, arguing that an agenda could only be agreed on in face-to-face negotiations.

Prime Minister Menachem Begin also turned down an American suggestion to have the occupied West Bank of the River Jordan made into an autonomous, demilitarised zone.

The West Bank suggestion was made by the U.S. national security adviser, Mr. Zbigniew Brzezinski, in an interview with the New York Times. He suggested that in return for Israel giving up sovereignty over the West Bank, Arabs should abandon demands for

the area to be made a Palestinian state.

In Cairo, Jordan's King Hussein, fresh from talks in Syria and Saudi Arabia, arrived for consultations with President Sadat on co-ordinating the Arab position towards Geneva.

After two days of talks in Damascus, President Elias Sarkis of Lebanon and Syrian President Hafiz Assad decided to speed up efforts for ensuring stability in southern Lebanon, writes Issa Hlehel from Beirut. Mr. Sarkis' trip was prompted by a deadlock in moves to ensure a withdrawal by Palestinian guerrillas from the south and stationing units of a restructured Lebanese army along the border strip with Israel.

The two presidents also apparently discussed the overall security situation in Lebanon in the light of failure so far to bring about a national entente and continuing violence. Nine people were killed in two separate incidents yesterday. Of these, eight were killed in a shoot-out between Left-wing and Right-wing factions in the northern district of Koura. Intervention by Syrian troops brought the situation under control.

Economists call for more reflationary action

BY DAVID BELL

WASHINGTON, Nov. 6

THERE IS NOW an urgent need for industrialised countries to adopt a "package of economic policies" to cope with unduly slow world economic growth and to prevent any further rise in unemployment.

This was the conclusion reached by 14 leading economists from Japan, the United States and Europe at the end of a three-day meeting in Washington held under the auspices of the Brookings Institution. The economists agreed that it is now up to all industrialised nations—and not just the "three locomotive economies" of Japan, the U.S. and Germany—to take measures to "support a sustained expansion of consumer and investment demand."

The economists, echoing comments to be heard at the recent annual meeting of the International Monetary Fund, said that "concern about inflation continues to be warranted but nowhere among the industrial countries" can inflation be attributed to excess demand at the present time.

They note, and they support their argument with some gloomy projections for the coming year, that although "some more stimulative policy measures have been adopted recently by certain countries, the growth of real output in 1978 is not expected significantly to reduce the gap between potential and actual output."

Thus the need for fresh initiatives now exists in all industrialised nations, including both Britain and Italy. For next year the economists forecast that the British economy would grow by 2.5 per cent in real terms and that inflation would fall to about 9 per cent. The U.S. economy is projected to be unchanged next year. All these assumptions are based on a continuation of present policies.

remaining at about 8.5 per cent. They forecast a slight slowing in the Japanese growth rate (6.5 per cent) and only a modest 0.5 per cent increase in the German growth rate to 3.5 per cent. Both unemployment and inflation in Germany are projected to be unchanged next year. All these assumptions are based on a continuation of present policies.

Koch likely to win NYC mayoralty this week

BY JOHN WYLES

NEW YORK, Nov. 6

A CLEAR majority of the 2.3m eligible voters look likely to give their support to the Democratic Party candidate, Mr. Edward Koch, in election on Tuesday. The poll showed Mr. Koch, 52 years old, with 58 per cent of the vote, Mr. John Lindsay, 44 per cent, and Mr. John Lindsay, 44 per cent.

The result has seemed a foregone conclusion since the Democratic Party defeated six challengers in the Democratic primary in September. Since then, he has sought to give the impression of running hard for office. But his creation of a team to achieve the transfer of power from the incumbent mayor, Mr. Abraham Beame, has emphasised his confidence about the outcome on Tuesday.

But the election may not be without significant aspects for a January.

Domestic car sales rise

BY OUR OWN CORRESPONDENT

NEW YORK, Nov. 6

SALES OF THE U.S. motor industry's new "down-sized" cars got off to an encouraging start last month and helped to curb the market penetration by leading Japanese imports.

Sales figures in October have been keenly awaited by industry analysts because they offer the first indication of the potential sales prowess of the 1978 U.S. models. Interest is even stronger this year because U.S. manufacturers have introduced some 10 new or much re-designed smaller cars which consume less fuel.

This "down-sizing," as it is known in Detroit, has been forced on the industry by federal economy regulations which require fleet sales of each of the major U.S. car companies to average a fuel consumption of 18 miles to the gallon.

A 19 per cent increase in the sales of U.S.-manufactured cars in October seems to indicate that the new models are proving popular with the U.S. public. The figure is somewhat exaggerated by the fact that sales of the United Auto Workers strikes in the month is impressively in line with the industry's predictions.

October is always a difficult month for importers because of the new U.S. model in the showrooms. But foreign manufacturers are lining their back in this month rather than the success of designs.

But the October figures are a gloomy reading for the struggling small car manufacturer American Motors. Sales slumped by 31 per cent since the introduction of a new line of cars.

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U.S. mine talks to resume

BY OUR OWN CORRESPONDENT

NEW YORK, Nov. 6

LEADERS of mine-workers and coal company operators in the U.S. will resume pay negotiations on Tuesday, with four weeks left in which to find a settlement to avert the threat of a national strike.

United Mine Workers officials broke off negotiations on October 25, alleging that the employers were refusing to concentrate on union proposals for reviving the health and retirement funds of the industry. Cuts in benefits earlier this year provoked unofficial strikes throughout Appalachian coal-fields.

Before discussing this new proposal, the employers had been urged to squeeze some response out of the union to their proposal, ending unofficial stoppage were largely responsible for the weakness of the health fund.

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WHEN THERE IS A POWER CUT AT HOME:

FOR SAFETY'S SAKE PLEASE TURN OFF

- Cookers
Electric fires/heaters
T.V.

and all other electrical appliances except those listed opposite.

- \* Please make sure that elderly or infirm neighbours are safe and warm.
\* Keep candles and matches or lamps ready to use where they will be needed, and at all times handle with care.
\* Leave a light on so you will know when the power is reconnected.

IF IN DOUBT CONTACT YOUR LOCAL ELECTRICITY BOARD SHOP WHERE YOU CAN ALSO SEE DISCONNECTION ROTAS

The Electricity Council, England and Wales

YOU CAN LEAVE ON

- Refrigerators
Immersion heaters
Freezers
Central heating if on automatic control, and storage radiators.

FREEZERS

During a power cut or voltage reduction food is safe for at least 8 hours if you KEEP THEM SHUT

مكتبة الأصيل

WORLD TRADE NEWS

Value of U.K. exports to USSR increases

THE VALUE of British exports to the Soviet Union during the first three quarters of 1977 showed a sharp increase in comparison with the equivalent period last year...

Visiting EEC steel group puts pressure on U.S. over dumping

THE CARTER Administration, which now aims to complete its "plan" for the American steel industry by the end of this month, will come under fresh pressure again this week from both inside and outside the United States...

Trade poses problems for Canada

OTTAWA, Nov. 6. SEPTEMBER WAS a bad month for Canadian exports which fell sharply by seven per cent on value during the month to a total of \$3.6bn...

U.S. MACHINE TOOLS Facing up to the Amendment

UNITED STATES machine tool manufacturers are campaigning against what they call the failure of their legislators to understand the importance of trade with the Eastern bloc countries...

World Economic Indicators

Table with columns for Country, Exports, Imports, Balance, and dates (Sept. 77, Aug. 77, July 77, Sept. 76, Aug. 76, July 76). Rows include W. Germany, France, U.K., Holland, Italy, Japan, U.S., and Belgium.

£2.6m. contract for PVC plant

BTR Silvertown has won a piping contract worth £2.6m. for the supply of equipment to the world's biggest PVC factory...

Syria and India in oil deal

SYRIA has agreed to give a concession in the oil-rich region of south Palmyra to India and a delegation of the Oil and Natural Gas Commission has been in Damascus to finalise an agreement on exploration and production...

Shell in deal with Dutch company on aroma chemicals

SHELL Chemicals has entered a joint venture in Holland to produce and market aroma chemicals as part of its policy of diversification into specialty chemicals...

Israel gears up for more exports

THE PROPORTION of locally developed products or products based on original Israeli technology in total industrial exports (other than polished diamonds) is expected to rise from 25 per cent in 1976 to 50 per cent in 1985...

6 ways British Airways could be making your company more competitive.

- 1 Concorde. As the network grows, supersonic flights are becoming more and more relevant to the businessman. You get there fresher, more alert, and you'll be at your destination hours ahead of the competition.
2 First Class. A business tool as well as a luxurious place to relax. Executives use First Class as an office. They arrive more alert. And prospective clients recognise a First Class ticket as a gesture of confidence...

British Airways advertisement featuring an image of a Concorde and a woman. Text includes 'British Airways', 'Fly the flag, feel at home.', and details about business services and packages.

Contracts
A £100,000 contract to study the feasibility of an interchange between Hong Kong's Mass Transit railway, now being built, and the existing railway running into China from Kowloon to Canton...

FINANCIAL TIMES advertisement with contact information for editorial offices, advertisement offices, and subscriptions in various cities like London, Birmingham, Bonn, Brussels, Dublin, Edinburgh, Frankfurt, Johannesburg, Madrid, Manchester, Moscow, New York, Paris, Rome, Stockholm, Tokyo, and Washington.



HOME NEWS

Prices of raw materials still going up

BY DAVID FREUD
THE CONTINUED rise in prices of key raw materials meant that a 16 per cent increase in tariffs...

Biggest increase
The largest individual increase recorded during the month was a 223 per cent rise sought by International Paper Vehicle Finishes Division...

Bank warns against relying on sea oil

FINANCIAL TIMES REPORTER
BRITAIN must be conscious of the dangers involved in relying on the benefits of North Sea Oil, says today's National Westminster Bank Review.

Priority
Out of this U.K. could pay off all its overseas debt at an average annual rate of about £1.5bn. But reasonably full employment—provided that this is achieved without inflation...

European building outlook 'moderate'

BY OUR BUILDING CORRESPONDENT
THE EUROPEAN building and construction industries will grow only moderately up to 1980, according to a report just issued in Britain.

Eastern picture carpet sells for £25,108
A KIRMAN Lavers pictorial carpet depicting an assembly of Persian kings was sold by Christie's in New York on Saturday for £25,108 to Eschagbani, a New York carpet dealer.

Bad winter 'could cause road crisis'

FINANCIAL TIMES REPORTER
A SEVERE winter could reduce the county road network to a state of crisis, according to the British Road Federation.

Maintenance
At 1976 prices, spending on local road maintenance has fallen from £422m in 1971-72 to £385m in 1976-77, with a further decline to £351m expected by 1979-80.

LEGAL NOTICES

No. 00297 of 1977
To the HIGH COURT OF JUSTICE Chancery Division Companies Court, in the Matter of KARAVIAS (LONDON) LIMITED and in the Matter of The Companies Act, 1948.

LEGAL NOTICES

In the HIGH COURT OF JUSTICE Chancery Division Companies Court, in the Matter of GORDON CONSTRUCTION LIMITED and in the Matter of The Companies Act, 1948.

COMPANY NOTICES

TANGANYIKA CONCESSIONS LIMITED
NOTICE TO HOLDERS OF ORIGINAL STOCK
DIVIDEND No. 61
NOTICE IS HEREBY GIVEN THAT the Interim Dividend declared on 7th October, 1977 at the rate of 40 per 100 out of Ordinary Stock for the year ended 31st December, 1977 will be paid on 11th October, 1977 to holders registered in the books of the Company on 1st October, 1977 and to holders of Shares in accordance with Warrants to Holders of Stock Warrants to Bearers of Coupons No. 17 deposited on the books of the Company on 1st October, 1977.

LEGAL NOTICES

In the HIGH COURT OF JUSTICE Chancery Division Companies Court, in the Matter of THE COMMISSIONERS OF CUSTOMS AND EXCISE of King's Bench Palace, 38-41, Mark Lane, London EC3R 7HT, and in the Matter of The Companies Act, 1948.

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CARTOON ORIGINALS AUCTION

Royal College of Art, S.W.7
Sunday, November 13
COLLECTORS' ITEMS
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Viewing 5.30 p.m.
LORD CUDLIFF opens 7 p.m.
Tickets £3 inc. buffet and wine.
Telephone 440 2324/387 3925

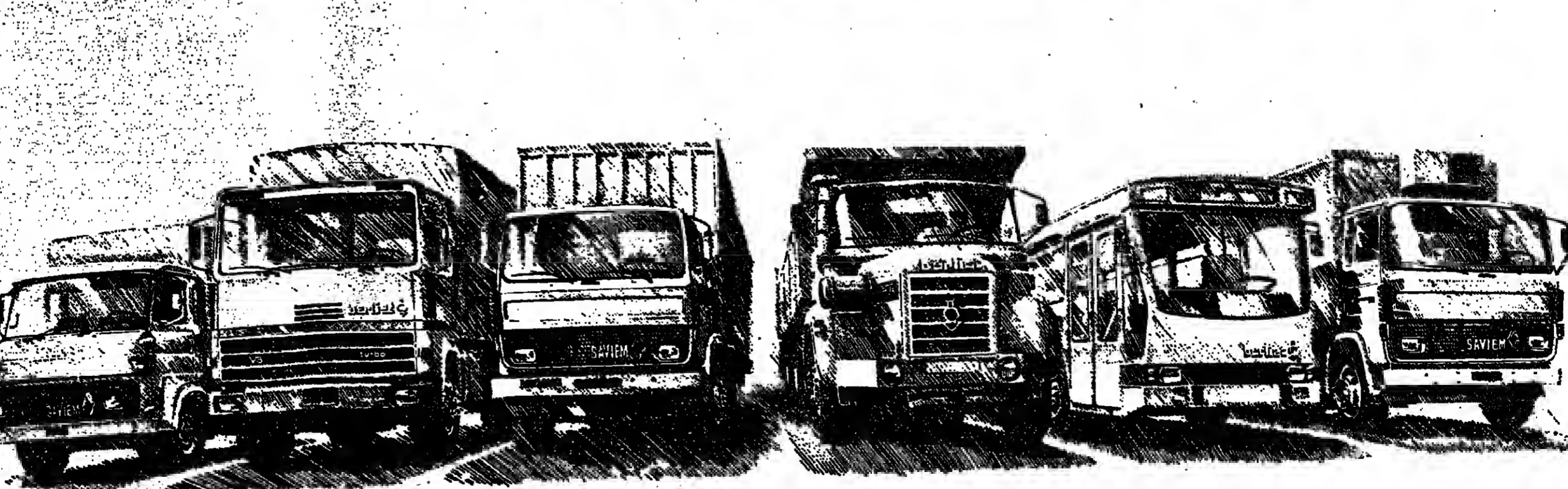
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APPOINTMENTS WANTED

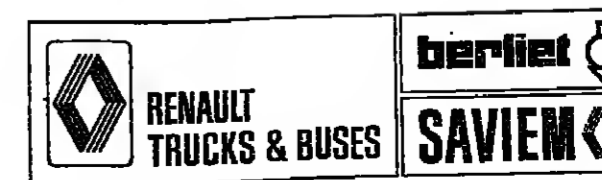
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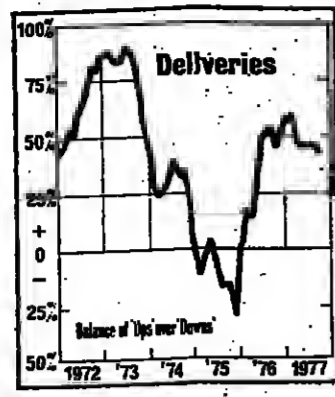
# FT Monthly Survey of Business Opinion

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## GENERAL OUTLOOK

### Confidence mixed

THE DEGREE of business optimism about the prospects both for the economy as a whole and for particular companies has declined compared with four months ago, but is still much higher than last autumn. This is shown by the latest Financial Times Business Opinion Survey which this month covers non-electrical engineering, chemical and oil companies, and shipping and transport connected industries. Among the factors mentioned in the interviews were static or declining markets, in particular the slow growth of

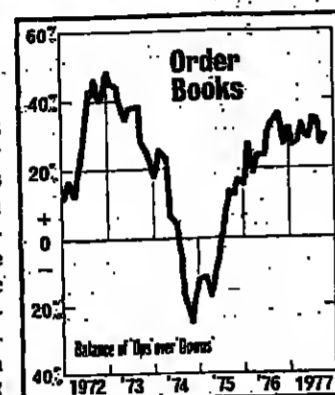


world trade. Export prospects generally remain good with little change in the high level of the indicator of those companies expecting a rise over the next 12 months. All the main interviews were undertaken before the Government's mini-budget on October 26, and the results are shown in the detailed tables. But most of the companies were contacted again by telephone after the statement though generally before the freeing of the exchange rate last Monday.

## ORDERS AND OUTPUT

### Sales outlook steady

INDUSTRY'S demand position remains fairly dull; both the engineering, and the chemical and oil sectors are more inclined to report reduced order levels than when last interviewed four months ago. Among the factors mentioned are the slow growth of the world economy, disappointing demand from the Continent, cutbacks in public spending. As a result the indicator for new orders has declined though there is still a healthy net balance reporting higher orders and the indicator

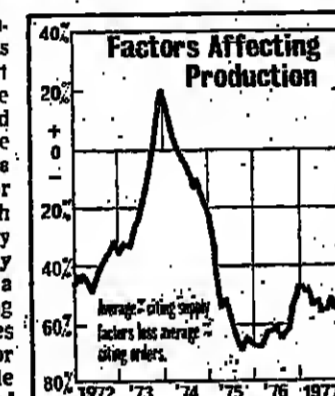


for order books has recovered after last month's decline. This slightly confused picture is reflected in an unchanged figure of 6.7 per cent for the median expected rise in production/sales turnover during the next 12 months. Both the engineering, and shipping and transport sectors expect their production to increase by a smaller amount than they had done last June though the chemical and oil sectors were more optimistic. When re-interviewed after the budget, none of the companies went to change its production forecast.

## CAPACITY AND STOCKS

### Demand still the constraint

THE PERCENTAGE of companies saying that output is affected by shortages of export orders has shown a noticeable increase. While this trend should be treated with some caution it has resulted in a slight increase in the indicator showing the extent to which production is affected by demand rather than by supply factors. On the supply side a high proportion of engineering companies mentioned difficulties in finding either skilled or executive staff of an adequate quality, and the proportion of all companies mentioning



labour disputes has risen again. All three sectors surveyed this month are more inclined to say that they are working at below planned output levels than they had been last June. The sluggish state of the economy at present is also reflected in the index of the level of stocks in relation to current sales trends, which has shown virtually no change. Looking ahead, the index of expectations about work in progress has risen again, though the indicators for stocks of raw materials and of manufactured goods have tended to fall.

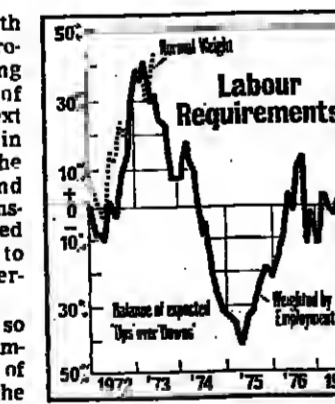
## CAPACITY WORKING

Table showing capacity working percentages for various sectors (July-Oct, June-Sept, May-Aug, Apr-July) for Engineering, Chemicals, and Shipping & Transport.

## INVESTMENT AND LABOUR

### Capital spending upturn

A STRIKING feature this month is the marked rise in the proportion of companies expecting an increase in the volume of capital expenditure in the next 12 months, following the dip in expectations earlier in the summer. Both the chemical and oil, and the shipping and transport sectors are more inclined than they had been in June to project a rise, though engineering is rather less hopeful. There has not, however, so far, been any significant improvement in the indicator of labour requirements during the

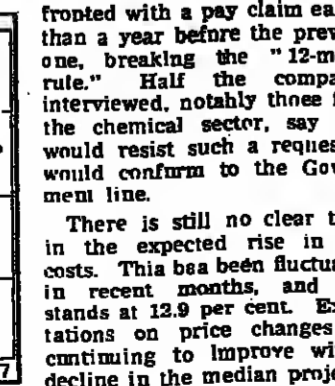


next 12 months with only a tiny net balance projecting a rise. Both the chemical and oil, and the shipping and transport sectors were more inclined to forecast a decline in their labour force than previously. In addition, a question has now been asked about the factors discouraging companies from expanding the number of their employees: the main points are lack of demand but other influences include the cost of redundancy, legislation, high wages, and difficulty in recruiting suitable staff.

## COSTS AND PROFIT MARGINS

### Pay worries increase

FRONTED with a pay claim earlier than a year before the previous one, breaking the "12-month rule." Half the companies interviewed, notably those from the chemical sector, say they would resist such a request or would conform to the Government line. There is still no clear trend in the expected rise in unit costs. This has been fluctuating in recent months, and now stands at 12.9 per cent. Expectations on price changes are continuing to improve with a decline in the median projected rise from 13.2 to 12.9 per cent.



public industrial companies. The weighting is by market capitalisation, save when an alternative method of weighting is specified. The all-industry figures are four-monthly moving totals, covering some 120 companies in 11 industry groups (mechanical engineering is surveyed every second month). Complete tables can be purchased from Taylor Nelson and Associates Ltd.

## GENERAL BUSINESS SITUATION 4 monthly moving total October 1977

Table showing business sentiment (More optimistic, Neutral, Less optimistic) for July-Oct, June-Sept, May-Aug, Apr-July, and Oct 1977 for Engineering, Chemicals, and Shipping & Transport.

## EXPORT PROSPECTS (Weighted by exports) 4 monthly moving total October 1977

Table showing export prospects (Higher, Same, Lower, Don't know) for July-Oct, June-Sept, May-Aug, Apr-July, and Oct 1977 for Engineering, Chemicals, and Shipping & Transport.

## NEW ORDERS 4 monthly moving total October 1977

Table showing new orders trend (Up, Same, Down, No answer) for July-Oct, June-Sept, May-Aug, Apr-July, and Oct 1977 for Engineering, Chemicals, and Shipping & Transport.

## PRODUCTION/SALES TURNOVER 4 monthly moving total October 1977

Table showing production/sales turnover expectations (Rise over 20%, Rise 15-19%, Rise 10-14%, Rise 5-9%, About the same, Fall 5-9%, No comments) for July-Oct, June-Sept, May-Aug, Apr-July, and Oct 1977 for Engineering, Chemicals, and Shipping & Transport.

## STOCKS 4 monthly moving total October 1977

Table showing stock levels (Increase, Stay about the same, Decrease, No comments) for July-Oct, June-Sept, May-Aug, Apr-July, and Oct 1977 for Engineering, Chemicals, and Shipping & Transport.

## FACTORS CURRENTLY AFFECTING PRODUCTION 4 monthly moving total October 1977

Table showing factors affecting production (Home orders, Export orders, Executive staff, Skilled factory staff, Manual Labour, Components, Raw materials, Production capacity (plant), Finance, Others, Labour disputes, No answer/no factor) for July-Oct, June-Sept, May-Aug, Apr-July, and Oct 1977 for Engineering, Chemicals, and Shipping & Transport.

## LABOUR REQUIREMENTS (Weighted by employment) 4 monthly moving total October 1977

Table showing labour requirements expectations (Increase, Stay about the same, Decrease, No comment) for July-Oct, June-Sept, May-Aug, Apr-July, and Oct 1977 for Engineering, Chemicals, and Shipping & Transport.

## CAPITAL INVESTMENT (Weighted by Capital Expenditure) 4 monthly moving total October 1977

Table showing capital investment expectations (Increase in volume, Increase in value but not in volume, Stay about the same, Decrease, No comment) for July-Oct, June-Sept, May-Aug, Apr-July, and Oct 1977 for Engineering, Chemicals, and Shipping & Transport.

## COSTS 4 monthly moving total October 1977

Table showing cost increases (Wages rise by, Unit cost rise by) for July-Oct, June-Sept, May-Aug, Apr-July, and Oct 1977 for Engineering, Chemicals, and Shipping & Transport.

## PROFIT MARGINS 4 monthly moving total October 1977

Table showing profit margin expectations (Improve, Remain the same, Contract, No comment) for July-Oct, June-Sept, May-Aug, Apr-July, and Oct 1977 for Engineering, Chemicals, and Shipping & Transport.

## Entertainment Guide

CC—These theatres accept certain credit cards by telephone or at the box office

Entertainment Guide listing various theatres, operas, and performances including Opera & Ballet, Theatres, and Art Galleries.

مركز الأصيل







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## 7m. worth for William Leech

**EARLY** £7m. worth of new contracts for the construction of a new 232,000 contract from the North Cheshire Housing Association for the construction of more than 30 retired persons flats at Stockport, a £435,000 contract by the Grosvenor Housing Society for nearly 30 flats at Stockport, and a £200,000-plus contract to build 25 bungalows at Emsall Bay, North Wales, for the Llandudno and North Wales Housing Trust.

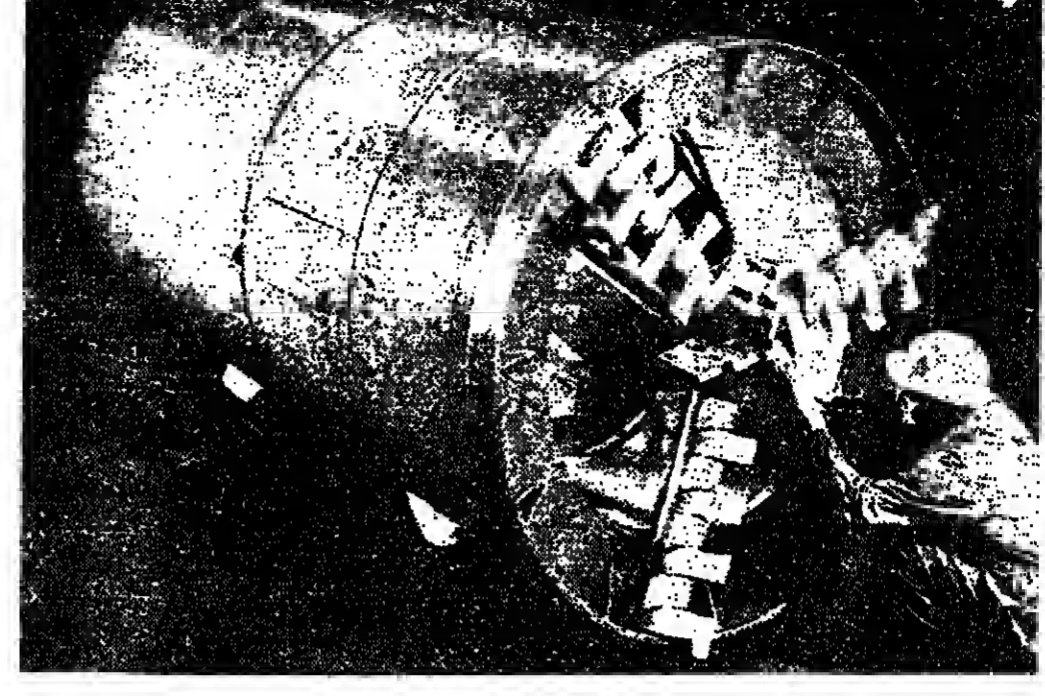
Other work is being done to include housing projects in the North East worth more than £3.5m, and a company in open tender, and a £2m housing contract won by Leech Homes (Scotland) in the Glasgow area.

## Copper unit for Iran Steel order for Boulton and Paul

MECHIM of Brussels and the Krupp organisation of West Germany have signed a \$143m deal with the National Iranian Copper Company for the construction of a copper metallurgical complex at Sar Cheshmeh.

Mechim will be the project co-ordinator and design will be along the lines of the technology used by Metallurgie Hoboken-Overpelt. Some of the electrical and civil engineering is being sub-contracted to Traction and Electricite of Belgium.

Annual nominal capacity will be 158,000 metric tons. The mill should be in operation by 1980.



This tunnel boring machine is now being offered to construction companies for manufacture and operation under licence by Macron International, 1 Court Row, Saint Peter Port, Guernsey, Channel Islands. The machine is driven by a standard 600 cubic feet per minute air compressor and is designed for operations involving installation of multi-segment tunnel liners. Macron says the first three licences for its manufacture and use have been granted. The machine will bore tunnels up to 7.6m in diameter.

## Galliford's mixed batch

THE contracts worth over £1m, awarded to Galliford and Sons, works at a major extent, the largest job being Phase 4 of the Wellington ring road at Telford, Shropshire.

It is due for completion in months and, in the meantime, the company has won a

## M & S grows in Paris

SAE-BOVIS has started work in Paris on the existing Marks and Spencer store in the Boulevard Hausmann to provide extensions that will more than double the size of the sales floor area.

This company was set up jointly by Bovis and Societe Auxiliaire d'Entreprises as a joint venture in 1975.

It will, on November 8 hand over to M and S its second store in Paris, at a commercial centre at Hosteny 11, an eastern suburb. The building has been extensively converted for the purpose and the cost of alterations has been put at £1m.

## £3½m. Laing award

JOHN LAING CONSTRUCTION has been awarded a £3.5m contract by Peterborough Development Corporation to build most of Orton Centre—a new district shopping centre in West Peterborough.

The contract includes a 60,000 square feet superstore for international stores, 22 other shops, pub, housing, offices, police station, 131 bedsister flats, an office block incorporating health centre and community centre, two bowling greens and car park.

## Materials handling equipment

ABOUT £1.5m. worth of work for the National Coal Board in Nottinghamshire and Yorkshire is to be undertaken by the materials handling engineering division of the Fairclough Construction Group.

## Vikings show the way

NORWEGIAN engineers, who have led the world in large-scale marine engineering since the start of the rush to develop North Sea oil and gas reserves, have come up with an idea which might be the most economical solution yet for the harnessing of wave power. Fay Gjerster reports from Oslo.

Based on the knowledge that a Tsunami, or tidal wave set up by an underwater earthquake, can be a foot or so high but many miles in length, yet turn into devastating breakers 50 and more feet high and travelling at extreme speeds as soon as the waves approach a shelving shore, they have set themselves out to produce shelving a long way from the shore by creating artificial banks or "lenses" underwater.

These would create rapid wave growth in normal sea conditions and, suitably disposed, concentrate into a fan shape wave formations that would have enough power in them to drive appreciable quantities of seawater to considerable heights.

This energy could be harnessed in a number of ways. It could be used to push seawater into a wide reservoir located, say, 100 metres kWh a year.

## Lime kiln ordered

WEST'S Pro of Stockport, Cheshire, has won a £1m. contract for a lime kiln in Iran.

The contract covers design, supervision of erection and commissioning of the 120 tonnes per day vertical shaft kiln which will be oil-fired and equipped with automatic ship hoist. This is the sixth lime kiln to be supplied to Iran by West's Pro.

## Details of World Bank projects

U.K. COMPANIES wishing to bid for overseas projects financed by the World Bank and the UN Development Programme (UNDP), may find useful details in a fortnightly newspaper which will contain procurement notices requesting bids for works and services in a market currently worth over \$5bn. a year, rising to an estimated \$8bn. by 1979.

For the first time, notices of international contracts funded by the World Bank and the UNDP will be available in a single source, authoritatively and immediately—sometimes so early that a loan number has not even been assigned.

This comprehensive review of the goods and services required from potential suppliers and contractors will be provided on a more timely basis, and in greater technical detail than is available anywhere else, the organizers assert.

Entitled "Development Forum—Business Edition," this fortnightly publication will be air-mailed direct to the subscriber. More on 01-558 1512.

## Two jobs for Wiltshier

AGAINST strong Continental competition, Wiltshier Shopfitting, of Canterbury, has been awarded a contract for fitting-out executive suites on two floors of an office block in Jeddah, Saudi Arabia, for Abdullah Al-Freza and Co. It is also fitting-out a travel agency and jewellery shop on the ground floor within the same complex.

The contract involving high-quality finishes, is valued at £1.2m.

## Easy trace for pipes

ALREADY used with considerable success in Southern Gas and now more widely available is a pipeline route locator that can trace pipes buried up to 2 metres deep.

Technique consists of injecting a 100 kHz radio frequency carrier into the pipe, either by direct connection or by induction, and then making use of a separate receiver to pick up a signal just above ground level along the pipe's route.

## Boiler will burn waste

TOWLER AND SON, of Clacton-on-Sea, Essex, has received, on behalf of Highton Processing Pty., Pongondita, Papua New Guinea, confirmation from the Commonwealth Development Corporation of an order for two water tube boilers.

These 28,000 lbs per hour boilers will burn oil palm waste at a new mill, which will be a joint venture between the Commonwealth Development Corporation and the Papua New Guinea Government. The order is worth in the region of £350,000.

Towler is making a worldwide sales drive for boilers of this type as they can be used for burning many kinds of waste including rice and coffee bean husks, waste paper and sewage sludge.

## IN BRIEF

Fairclough Construction has started work on a £1.2m. sewage treatment works improvement scheme at Davyburne, Manchester.

Laker Airways have awarded Mears Construction a £150,000 contract at Gatwick Airport for the construction of foundations and slabbing to a hangar extension and reinforced concrete slabbing to an apron extension.

## CONTRACTS AND TENDERS

### COMPANHIA HIDRO ELÉTRICA DO SÃO FRANCISCO

### CHESE

SUBSIDIARY OF ELETROBRÁS

#### BIDDING INVITATION

DS/GEAPE - 025/77 VI  
VI EXPANSION PLAN

#### SIMULTANEOUS PRE-QUALIFICATION AND BIDDING

- COMPANHIA HIDRO ELÉTRICA DO SÃO FRANCISCO - CHESE, by means of this Bidding Invitation, makes public to all concerned its decision to open, simultaneously with a Pre-qualification Process of Manufacturers, an international bidding for the designing, manufacturing, testing, packing and delivering to the work site of the equipment listed below:
  - 15 412 tons of ACSR Conductor 636 MCM for 500/230 kV L Lines
  - 403 961 insulators for 500/230 kV Transmission Lines
  - 72 Line Traps 500/230 kV
  - 105 230 kV Capacitor Potential Devices
- For payment of the equipment and services referred to in Item 1a above, CHESE will count with funds from the Loan of the SAUDI FUND FOR THE DEVELOPMENT.
- The pre-qualification process for the selection of firms to supply the equipment and services above is limited to Brazilian and/or Foreign manufacturers, isolated or joint-ventures, who entirely comply with the requirements of the League of Arab States, through the Saudi Arabia Embassy of their countries.
- CHESE might, at its own judgment, make inspection at the manufacturing plants in order to appraise their capacity to supply the equipment and services, object of this Bidding Invitation.
- The instructions needed to prepare the pre-qualification documents and proposals, will be available to the interested firms at the price of CR\$3,000.00 (three thousand cruzados), for the equipment, at the following address, as of October 17, 1977:  
COMPANHIA HIDRO ELÉTRICA DO SÃO FRANCISCO  
DIRETORIA DE SUPRIMENTO  
DEPARTAMENTO DE COMPRAS E CONTRATAÇÕES  
—DCC  
DIVISÃO DE AQUISIÇÕES ESPECIAIS — GEAPE  
RUA DR. ELPHEGO JORGE DE SOUZA, S/No. — BONGI  
TELEPHONE: 2273944 — 2271244  
RECIFE — PERNAMBUCO — BRASIL
- a) Pre-qualification documents  
b) General Bid and  
c) Bid Price  
shall be submitted in triplicate, in separate and sealed envelopes. The Bid Bond shall be no copy and must also be delivered in sealed envelope.
- The envelopes as per the above referred item will be received until 9 a.m. on December 13, 14, 15 and 16, 1977 when the simultaneous opening of pre-qualification documents and proposals for subitems 1, 11, 111 and 1V of item 1a above, will take place.
- The envelopes containing the Bid Price will be opened later on a date to be announced in the bidders.
- The Bidder submitting an individual Bid is not entitled to quote through a joint-venture in the same bidding process.

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### APPEL D'OFFRES INTERNATIONALES

### CHAMP DE GAZ OFF-SHORE DE MISKAR (TUNISIE)

AVIS DE CONSULTATION POUR PRE-SELECTION PLATE-FORME DE FORAGE (DRILLING PLATFORM)

Le Groupe d'Etude Miskar agissant pour le compte de la future entité responsable de la réalisation du projet de développement du gisement de Gaz de Miskar dans le Golfe de Gabès, lance une consultation de pré-sélection en vue de la fabrication et/ou l'installation d'une plate-forme fixe de forage type "jacket" 12 piles, 24 slots, destinée à ce gisement.

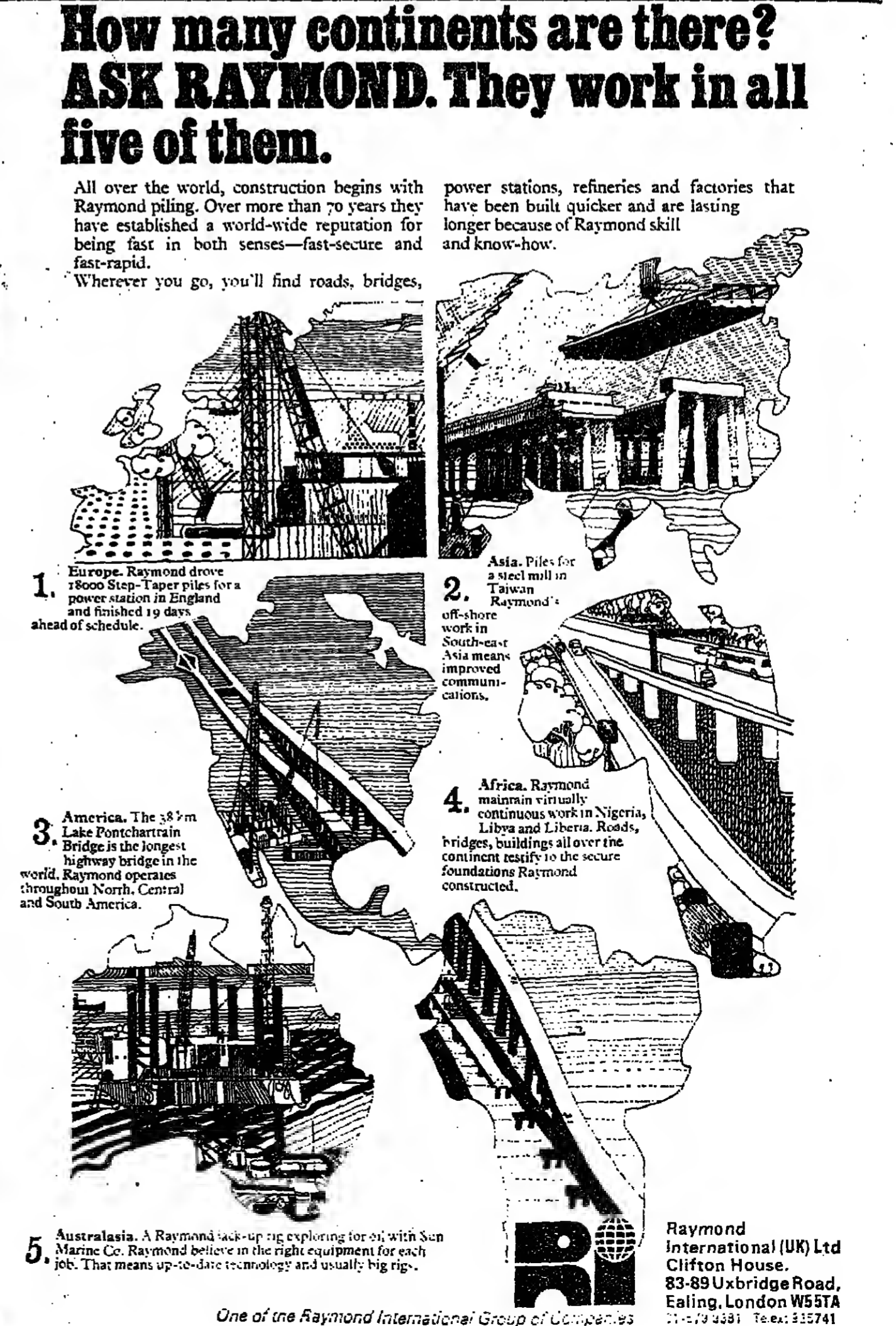
Les constructeurs et/ou installateurs de plate-forme, intéressés par cette consultation, sont invités à retirer ou à se faire adresser le dossier correspondant, à partir du Jeudi, 3 Novembre, 1977, à l'adresse suivante:  
Groupe Miskar,  
11 Avenue Khereddine Pacha,  
Tunis.  
(Telex: 12 128 TN.)

Et ce, moyennant le paiement d'une somme de cent (100) dinars Tunisiens par dossier, ou de sa contre-valeur en Devises Etrangères.

Il est précisé que les constructeurs et/ou installateurs pourront participer à cette consultation soit pour la totalité soit pour l'une des deux phases suivantes:  
— Fabrication sur yard;  
— Transport et installation sur le site offshore et ils devront faire parvenir leurs réponses au dossier de pré-sélection à l'adresse ci-dessus, au plus tard le Lundi, 5 Décembre, 1977.

## How many continents are there? ASK RAYMOND. They work in all five of them.

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- Europe. Raymond drove 18000 Step-Taper piles for a power station in England and finished 19 days ahead of schedule.
- Asia. Piles for a steel mill in Taiwan. Raymond's off-shore work in South-east Asia means improved communications.
- America. The 387m Lake Pontchartrain Bridge is the longest highway bridge in the world. Raymond operates throughout North, Central and South America.
- Africa. Raymond maintains virtually continuous work in Nigeria, Libya and Liberia. Roads, bridges, buildings all over the continent testify to the secure foundations Raymond constructed.
- Australasia. A Raymond jack-up rig exploring for oil with Sun Marine Co. Raymond believe in the right equipment for each job. That means up-to-date technology and usually big rigs.

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LABOUR NEWS

Government faces large pay claim by teachers

By Alan Pike, Labour Correspondent

TEACHERS want substantial pay increases to restore the value of the 1974 Houghton award which treated them as a special case. Mr. Fred Jarvis, general secretary of the National Union of Teachers, said yesterday...

Coal Board plans new appeal

By Our Labour Correspondent

AN APPEAL to miners' leaders to keep striking on ways of improving output from the national pits can be expected when the National Coal Board meets the Prime Minister on Wednesday...

Move to stop Triumph strike

A NEW EFFORT will be made today to resolve a strike of some 2,000 workers on TH-Triumph production at Speke Hall Road, Liverpool...

Shipyard redundancy pay lawsuit

NORTH EAST Coast Ship Repairs, a South Shields, part of the nationalised British Shipbuilders, is bringing a test case against the Department of Employment...

The week in Parliament

TO-DAY Commons—Debate on Queen's Speech (prevention of crime). Select Committee—Expenditure on general sub-committee. Subject: Chancellor's statement of October 29. Witnesses: The Treasury...

Businessman's Diary

Table with columns: Date, Title, Venue. Includes events like U.K. Trade Fairs and Exhibitions, Overseas Trade Fairs and Exhibitions, Business and Management Conferences.

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Table with columns: Date, Title, Venue. Includes Pacific International Trade Fair, International Hotel and Catering Exhibition, Int. Cycle and Motorcycle Exbn.

BUSINESS AND MANAGEMENT CONFERENCES

Table with columns: Date, Title, Venue. Includes The Review: Arab Insurance Conference, Institute of Measurement and Control, British Institute of Management, CBMPE (Council of British Manufacturers of Petroleum Equipment).

APPOINTMENTS

Executive change at Jonas Woodhead

Mr. T. P. Thornton, a director of Hill Samuel and Co. has joined the Board of JONAS WOODHEAD AND SONS. He succeeded Mr. F. J. Leishman, who is taking up an appointment with an associate company of Hill Samuel in South Korea...

Boats for disabled win award

The first boat was taken on its initial trip by Prince Charles in July last year on the Montgomery Canal at Welshpool and the second, the Bernard Sunley, at the Birmingham canal system, where it is booked until the end of next year...

WEEK'S FINANCIAL DIARY

Table listing company meetings, dividend and interest payments, and share prices for various companies.

Advertisement for Longstaff and Shaw (Electrical) Ltd. featuring a lightbulb illustration and text: 'Are you in the dark? Switch on with your own power...'

Advertisement for KLM International Finance Company N.V. offering 74% guaranteed bearer notes due 1975/1978.

Advertisement for TATTON THE NAME FOR GENERATING PLANT, offering large stocks available from 50 to 2,000 kVA.

Advertisement for GENERATORS STILL AVAILABLE, listing various generator models and specifications.

Advertisement for ENGINE APPLICATIONS LTD., offering immediate delivery of diesel and petrol generators.

Advertisement for GENERATING SETS, offering brand new sets from the manufacturer.

Advertisement for GENERATORS, offering various sizes from 3-1500 kVA with quick delivery.

Handwritten Arabic text at the bottom of the page: 'مكاتب الأجل'

# The Executive's and Office World

مكتبات الأعمال

EDITED BY CHRISTOPHER LORENZ

Christopher Lorenz on the need for reliable international business comparisons



## A European yardstick for nationalised industries

An obvious assumption of day. More important still is the point that tariff structures for individual services differ from one country to another. So the only proper basis for this sort of comparison can be a representative combination, or "package" of services.

A third type of error when trying to assess overall organisational performance across frontiers is to choose incomparable countries; that is, to compare the record of an organisation in one country with several foreign ones with entirely different characteristics. So that the researchers might just as well be comparing apples and oranges.

**Half-truths**

All three types of mistake producer misleading half-truths about the performance of the organisations concerned.

These problems will be examined, and some solutions proposed, in a series of articles on this page, beginning tomorrow. The first covers international price comparisons. The second analyses how far these reflect organisational efficiency. The third and fourth examine labour productivity measures and their results. All the articles draw heavily on official, but previously confidential material, including eight tariff surveys and a pan-European report on organisational performance by all the main European Post Offices.

The examples in the articles relate to the telephone service, and one of the prime intentions is to lift some of the confusion which so troubled the Carter Committee when it tried to

two most widely supported techniques both overcome the many drawbacks of exchange rate conversions. The more advanced of the two, which was recently adopted in Britain and Germany, for example, is also free of many of the distortions—involving taxation rates and social security systems—which bedevil most international comparisons of consumer spending power.

All the techniques comprise a "package" of services, in order to build up a representative overall picture of the level of charges levied by each organisation—something which is conspicuously lacking in frequently published league tables which single out just one or two services for attention.

One of the conclusions is that, even after the swinging tariff increases of 1975, Post Office telecommunications is still charging its customers roughly the same, in real terms, as its most comparable European counterpart, the West German Bundespost; more controversially, it can be argued that share exactly the same combination. So one has to be far more careful than is generally realised in selecting candidates for comparison. Of the European, Britain and Germany are the two with most factors in common, though the Netherlands shares many of them. Sweden is of particular interest, as it has Europe's lowest telephone costs.

The third and fourth articles will be published later this month.

### EXECUTIVE HEALTH

BY DR. DAVID CARRICK

## Jogging or gymnasia

"Better to hunt in fields, for health unbought, Than see the doctor for a mouseous draught. The wise, for cure, on exercise depend; God never made his work, for man to mend." (John Dryden, 1631-1700.)



NOBODY, least of all an over-worked doctor, would argue with the idealistic principles that motivated the 17th-century writer to pen this piece of poetry.

But the prescription was easier to follow in Dryden's times. Not only were there more fields; most people were forced to walk or travel on horse-back to get anywhere. And even those wealthy enough to own carriages obtained a deal of exercise and excitement through being bumped about.

For the modern executive, who works in a city and lives in a suburb, regular daily exercise is not easy to obtain.

True, he may be able to play golf at week-ends, or take part in some other sport which does not require two large teams; and he may even be induced to mow the lawn or perform other garden chores. All very good, from the entertainment point of view, but such hebdomadal activity does nothing to remove the desirability of obtaining adequate daily exercise.

Some people attempt to overcome the difficulty by indulging in jogging. So long as they are able to do so in lonely areas where traffic is light and the cheers or jeers of jealous spectators can be ignored, I have no doubt that, if it is not overdone and is performed regularly, the effect is excellent.

Physical jerks, carried out alone, tend to be monotonous and lacking in excitement and

are usually soon abandoned just like those splendid static bicycles and permanently anchored rowing machines which end up in the attic or are sold as "sacrifices."

### Fine exercise

Walking is fine exercise, but as most executives have only the nights for perambulation, there are disadvantages. A vigorous and eager dog is helpful. It not only acts as an incentive but also discourages fraternising with nosy neighbours or prowling police who may wonder at the motives of a solitary male meandering at midnight through streets with no scenery save bouses with lighted bedrooms.

For those who work in big cities there is an answer. In recent years, enterprising individuals, some of whom are retired athletes—even old Olympic

stars, have opened gymnasia to cater for executives. Apart from expert guidance from the professionals regarding the types of exercise advisable and careful supervision on individual endurance, the best of these gymnasia employ medical advisers to oversee each participant, and particularly those who are recuperating from heart disease and other maladies where remedial exercise is physically and psychologically beneficial.

## Frank Muir—a great dictator

A FEW YEARS ago Mr. Frank Muir held what he describes as a "medium-rare" management post in the television industry. One of the chief drawbacks of the job was that he found himself surrounded by secretaries who seemed intent on putting the frighteners on him.



## King George's Fund for Sailors looks after them all

In this Country of ours, there is no-one who is not connected with the sea.

Half the food we eat comes from across the sea. Many thousands of us, our relatives or friends are past or present members of one of the sea-faring services, or of an industry dependent on them.

There are many charities for seafarers and their families. One, only one, however, is the central charity, charged with collecting and providing funds for all other seafarers' charities, and with making sure that the money is distributed where it can be of most use.

That central charity is King George's Fund for Sailors. Launched in 1917 at His Majesty's personal wish, KGFS distributes funds without distinction of service, of rank or of creed. The sole criterion is to distribute the money to the areas of greatest need.

When you want to remember our seafarers who are in need, remember King George's Fund for Sailors. We'll see to it that not one penny of your money goes to waste.

Please send your donation to:-

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1 Chesham St., London SW1X 8NP

THE FUND FOR CHARITIES THAT SUPPORT SEAFARERS IN NEED AND THEIR FAMILIES

**GENERAL SHOPPING SA**  
Luxembourg

According to the decision taken by the Annual General Meeting of 26th October, 1977, a dividend of U.S.\$8.50 per share will be paid for the business year 1976/77.

This dividend is payable with effect from 7th November, 1977, against presentation of coupon no. 15.

Payment will be made, without charges, by William & Glyn's Bank Limited, London and by all banks assuming the financial service for the company in other countries.

Payment in the United Kingdom will be made in Pounds Sterling, the dollar being converted at the current rate.

Luxembourg, November 1977

For the Board of Directors:  
R. H. Lutz, Chairman

there was the temp "with the triple-barrelled surname, a figure that would warp a 10-inch teak plank at forty paces, a Gucci notebook and personal phone-calls every eight minutes from Alasdair or Kollo." Finally there were the good ones who intimidated him even more because their skill at shorthand accentuated his own clumsiness as a dictator.

Yet these trials and tribulations taught Mr. Muir how to Be A Great Dictator. He has now decided to pass on the benefits of his knowledge to other bosses in a booklet which bears the above title.

The official story line of this erudite work is that Mr. Muir shed his managerial responsibilities and his secretaries, bought himself a dictating machine, sweet-talked it into treating his every word as a command and proceeded to live happily ever after. The apparent aim of the narrative is to show how easy it is to attain Nirvana if only you have a dictating machine and know how to use it. Presumably the real moral of the tale is that everyone should rush out and buy one of the said machines in order to help the manufacturers.

### Don't mumble

Fortunately the Muir technique for dealing with dictating machines can be expected to work even better on a secretary. Machineless executives may therefore take up the booklet without worrying that it will force them to dig into their pockets or alter their office lifestyles. And though it is brief it is a good read.

Mr. Muir urges bosses to remember that there is a "real, living, breathing human being" on the other end of the dictation process and this means the proceedings should be opened with a cheery greeting. Dictators should say what sort of paper they want a letter typed on, how long the letter is going to be and how many carbon copies are required.

He goes on to advise executives to think their letters through before they start dictating. They should then break their thoughts down into key words and jot these down as a guide.

Mr. Muir insists that good dictators should not mumble—mumbling loudly is no substitute for clear speech.

Great dictators must realise that it is their job to put in the punctuation, and it is also up to them to spell out names and addresses if there is even the slightest chance of being mis-typed. Mr. Muir is inclined to think that all names should be spelled out and he adds that particular care should be taken with that of Miss Ariana Stassinopoulos.

How to be a Great Dictator, by Frank Muir, Lanier Business Products, 100 New Kings Road, London SW6 4LX.

Sue Cameron



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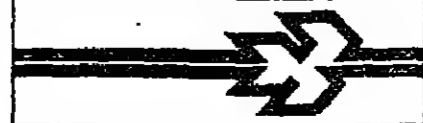
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# Crucial talks on UNCTAD's Common Fund plans

By DAVID HOUSEGO, in Geneva

## Examining the railways

**THE INVESTIGATION** which to assume the role of referee in the long-standing debate between British Rail and the Government over pricing policy (and thus subsidy policy) for the various parts of the railways' passenger business. British Rail's present remit is to eliminate the loss—and the accompanying deficit grant—on its freight business by next year and to hold the grant it receives for its passenger operations, which amounted to £319m last year, to about the same level in real terms, while working in the medium-term towards an economic level of charges for the inter-city passenger services and eventually, too, for the London and South-East commuter services. It has accordingly been following a flexible pricing policy which is said to take account both of this remit and the opportunity to tailor particular fares to tap new travel markets or to reflect improvements in the quality of service.

**Economic operation** The inter-city services operate in a market in which there is strong competition both from road transport and, on certain of the longer routes, from British Airways' internal air services. So there seems to be little reason why British Rail should not be free to try to price up towards a more economic level of operation, especially now that the volume of rail traffic on these routes appears to be recovering. A case can also be made out for following a similar course with the London and South East commuter services, provided appropriate traffic and parking policies are used to control road traffic. The rail commuter services were not all that very far short of covering their costs at the beginning of the 1970s and it is hard to see why the rest of the country should be called upon permanently to subsidise London's commuters. There may be aspects of the railways' pricing policies which could benefit from an objective examination, such as the present very confusing range of off-peak fares, but subsidy policy is a matter which the Price Commission may recognise is best left for decision by Ministers accountable to Parliament.

## Agreement on the Ganges

**THE SUCCESSFUL** conclusion of a five-year agreement on the sharing of the waters of the Ganges, signed at the weekend, is a major triumph for the Governments of India and Bangladesh. After 25 years of fruitless bickering and a period of strained relations following the execution of Sheikh Mujibur Rahman, one of the main sources of friction between the two states has been removed. Both sides are largely for domestic consumption—making much of the concessions they claim to have granted. Privately, they concede that the water quotas fixed for the driest weeks of the year are not satisfactory.

**A new spirit** For different reasons, both sides were keen to conclude an agreement. India's Janata Government, sensitive to criticism of its role in the dispute voiced in the United Nations, was anxious to placate international feeling with a gesture of goodwill. Bangladesh, reluctant to trust its sometimes domineering neighbour in the light of past experience, was keen to get something down in black and white, if only as a future negotiation. The major breakthrough appears to have come after the election of the Janata Government in March, notably in talks between the Indian Prime Minister Mr. Morarji Desai and President Zia ur Rahman of Bangladesh, at the Commonwealth Conference in London last June.

The agreement, now signed, represents a new spirit of co-operation. It does not solve the real problem—that of regulating the flow of the Ganges to cope with the monsoon floods and winter droughts—but it does lay down rules for sharing the waters that are available. Without regulation, the waters cannot satisfy the needs of both countries; but at least the sharing arrangement should be more equitable than the previous situation, in which the Indians showed little concern for the needs of Bangladesh. If the two countries can

**WESTERN** leaders have now come to accept that a central plank of future world stability must be a new understanding on the economic ties between rich and poor nations. But in the three years since they were prompted to that conclusion by the disruption that followed the leap in oil prices progress towards the goal has been negligible. The issues on which developing nations have pressed hardest—access to Western manufactured products, debt relief, an increase in aid flows, indexation and a transfer of technology—have either floundered in inconclusive debate or been hurried. Almost the only proposal to have survived the scheme put forward by the secretary of the UN Conference on Trade and Development (UNCTAD) in 1975 for a Common Fund to stabilise commodity prices. Negotiations on establishing the Fund broke down at a conference here last March. But industrialised nations salvaged the scheme by accepting the principle behind it at the end of the North-South dialogue in Paris in June—virtually the only concrete result to emerge from that mammoth affair.

**Vulnerable** The conference, attended by delegates from more than 100 nations, then opens at the UNCTAD headquarters here today is an attempt to get agreement on the shape of the fund and how it might operate. Failure would be regarded by developing nations as a West reneging on a major political commitment. It would give a handle to the militants in the Third World to seek extremist solutions to improve their lot instead of looking to negotiations. To most developing nations the case for stabilising commodity prices needs no argument. Earnings from the 18 commodities on UNCTAD's original list for an integrated programme account for 40 to 50 per cent of the export receipts of the non-oil producing less developed countries (LDCs). Their economies are thus vulnerable to unexpected swings in commodity prices—though obviously the movement in prices does not always tally with the movement in earnings. The vulnerability is greatest for countries most dependent on a single product, as Zambia is on copper or Mauritius on sugar. It is also high for some of the smaller LDCs that have few exports apart from commodities.

The violence with which prices soared and slumped in the official British view in 1975 was mittedly exceptional years of the 1972-74 is still a bitter memory. The pain of the downward slide runs deeper than the recollection of the unexpected bonus then wider claims have been put forward for the impact of fluctuations make long-term

## MEN AND MATTERS

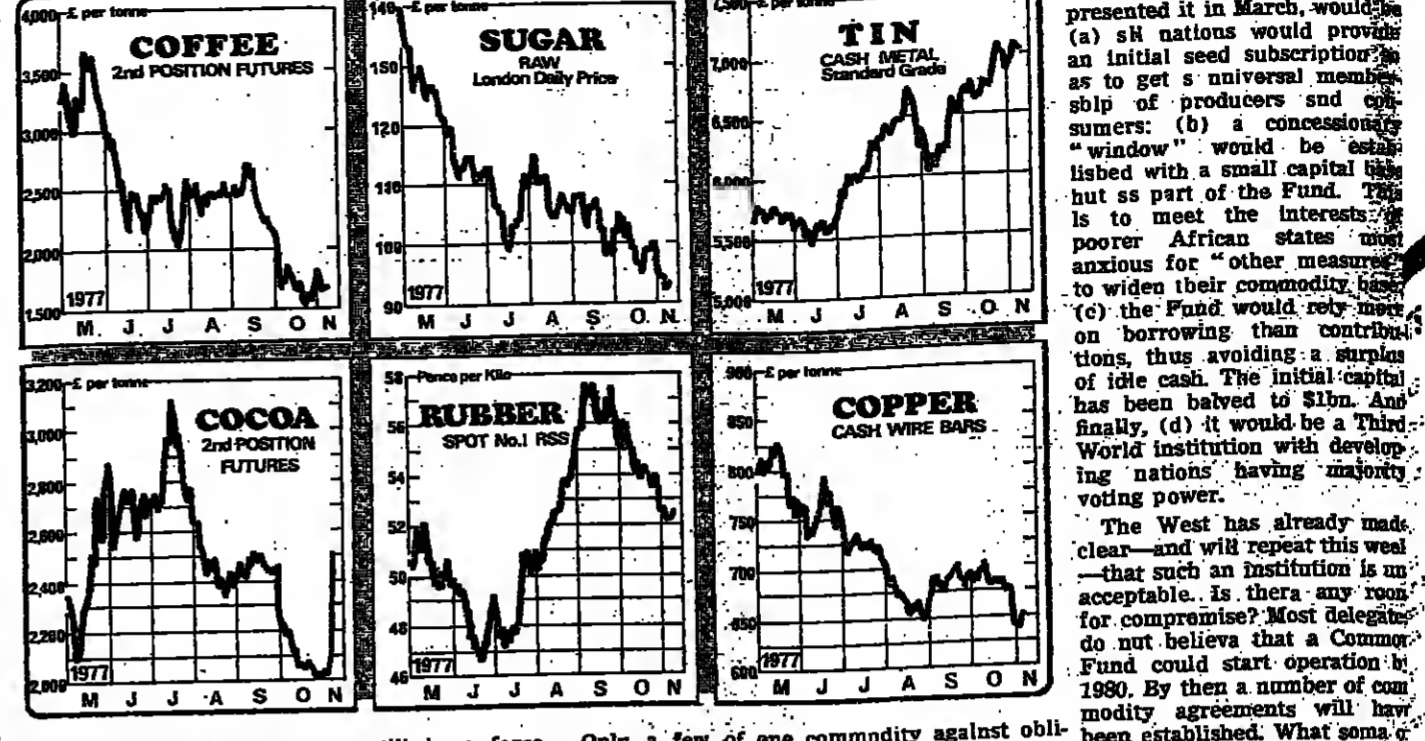
### Strategy—and exchange rates

Since announcing the decision to leave his post as director of the Royal Institute of International Affairs, Andrew Shonfield has been looking around for a suitable excuse to justify keeping up his home in Chelsea while spending most of his time at Florence where he will shortly take up his new job as Professor of Economics at the recently created European University.

So when Robert Perlman, chairman of the foreign exchange research organisation Forex Research, offered him a non-executive directorship he accepted with some alacrity. The two men first made contact in the early seventies when Shonfield, together with Val Duncan of RTZ, Sir Ronald Prain of Roan Selection Trust, Monty Finniston and others were brainstorming about the politics of resources—amazingly a non-subject at the time, as Shonfield recalls.

They decided to set up a formal study group and called in Philip Connely from BP and Perlman to participate and research the subject further. What impressed Shonfield was that the analysis and conclusions reached by Connely and Perlman both anticipated the intervening 1973 oil crisis and stood up well in the aftermath. The findings were later published in book form *The Politics of Scarcity*.

The esteem is mutual and Perlman has now called in Shonfield to set a broader level to economic input at board level to add to the more formal and aluding to sport and course. Asterix the archetypal Gaul, an irascible patriot from the last Julius to stand out against Julius Caesar. In his own way Gosciniy with the aid of his illustrator, who Albert Uderzo, helped to



commodity prices end attempts still have force. Only a few commodities are amenable to buffer stocking which is the most promising form of stabilisation. And buffer stocks have run out of funds or the managers have lacked the superhuman prescience needed to spot unexpected swings in the market. Quotas and production cutbacks suffer from the disadvantage that at times of stress too few of the participants obey the rules.

In line with this approach the U.S. now seems prepared for a limited experiment in buffer stock and quota agreements in commodities of interest to it. The Administration has just signed the new sugar agreement. It is already a member of the coffee and tin agreements and seems to be interested in seeing arrangements materialise over rubber and copper.

Coincidental with these moves Mr. Gamani Corea, Secretary General of UNCTAD, has abandoned the depressing comments he was making a few months back about the lack of progress on agreements being negotiated under UNCTAD's umbrella. Apart from these commodities in which the Americans are interested, he now finds "serious" concern amongst governments in reaching agreement on jute and hard fibres. Other UNCTAD officials are already an agreement is included, commodity organisations cover or have some chance of one day covering six of the 18 items on UNCTAD's integrated programme. Still in the cold are cotton, phosphates, manganese, bauxite, iron ore, tropical timber, meat and bananas.

If the prospects for reaching commodity agreements look somewhat better, the well rehearsed arguments against achieving the goal of stabilising prices within a narrow range still represent a store like Marcus Neiman whose whole reputation rests on its ability to supply the super-rich of Texas with their every whim. The trouble is that at £900 per set Clive Sinclair's brilliant invention is within reach of many more people than the many super-rich and Sinclair are beset with orders from over-not least from stores in Britain who are turning potential customers away in droves. How is it that you invested over £500,000 in research and development, spent money on advertising both here and in the U.S. but then neglected to think big enough on the actual production side? I asked managing director Norman Hewett. The short answer was that it was unprecedented new product and they had no real way of accurately estimating potential demand—which has been far greater than expected. They have ruled out sub-contracting, because of the complexity of the circuits and need for stringent quality control but are investigating a factory extension. As for the possibility that by the time they are able to produce more the Japanese or someone else will have produced a mass production competitor Hewett told me "we are not standing still. When we expand production it will be an updated model with further refinements." My advice is start queuing now.

## Honey's off, dear

When British Leyland proudly unveiled its additions to the new Rover range recently one cynical wit, hearing the praises of praise being uttered, was heard to mutter: "Yes, it looks as though we've just launched another successful waiting list."

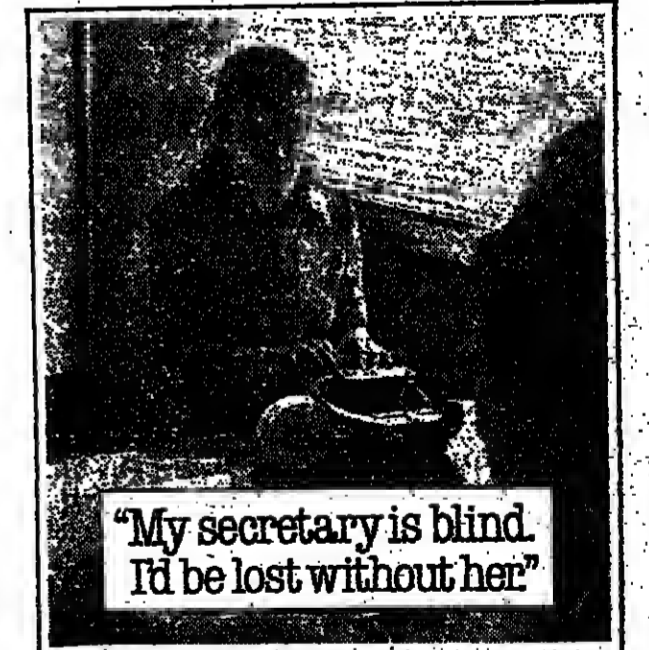
Something similar has just happened to Sinclair Redonics which launched its amazing pocket-sized television on the market in January. It has now had to re-schedule an earlier planned advertising campaign because it has been overwhelmed with more orders than its modest factory in a converted old mill on the River Ouse near St. Ives can hope to satisfy.

## Asterix lives on

Gaul will never be the same again. René Goscinny, the creator of Asterix Obélix, Panoramix et al is dead. He died last weekend at the age of 51 leaving behind an imaginary comic book Common Market peopled by Gauls with flaxen heads and Hunnish beliefs, druids, bumbling Brits for ever demanding the cup of tea and alluding to sport and course. Asterix the archetypal Gaul, an irascible patriot from the last Julius to stand out against Julius Caesar. In his own way Gosciniy with the aid of his illustrator, who Albert Uderzo, helped to

## Your fault

Our man in America records the ultimate in parental disillusionment expressed as a car bumper sticker. It said—"Insanity is hereditary. You get it from your children." **Observer**



**"My secretary is blind. I'd be lost without her."**  
Sandy takes down her boss's dictation accurately, then types it out from her braillé shorthand. Good speeds, good page layout. Sandy says there's nothing special about that—and she's right. The fact that she's blind makes very little difference to her efficiency. Sandy got her job on ability. And her ability won her promotion to personal secretary in an important Post Office department. That's the point. The RNIB trained Sandy at its Commercial College, and any firm that employs a qualified blind person will benefit from the demanding and professional training that we at the RNIB provide. If you happen to be an employer, think it over. We'll be pleased to hear from you. Over and above that, the RNIB needs your help, through legacies and donations, to enable us to train others like Sandy.

**RNIB**  
ROYAL NATIONAL INSTITUTE FOR THE BLIND  
224 GREAT PORTLAND STREET LONDON W1N 6AA  
Under the Finance Act 1975, benefits to charities up to a total of £100,000 are exempt from Capital Transfer Tax. Registered in accordance with the National Assistance Act 1948.

مكثامن الأصيل

FINANCIAL TIMES

Eurobond Quotations and Yields

AIBD

THE ASSOCIATION OF INTERNATIONAL BOND DEALERS

At 31st OCTOBER, 1977

CONTENTS

Table listing various bond categories and their page numbers, including US Dollars, Euro Composite Units, and various regional currencies.

The Association of International Bond Dealers (AIBD) compile current market quotations and yields for Eurobond issues. These quotations and yields are published monthly by the Financial Times. The Association's prices and yields

are compiled from quotations obtained from market-makers on the last working day of each month: there is no single stock exchange for Eurobonds in the usually recognised sense—secondary market trading business is done on the telephone

between dealers scattered across the world's major financial centres. Membership of the AIBD, which was established in 1969, comprises over 450 institutions from about 27 countries. A key to the tables is published opposite.

Eurobonds in October

BY MARY CAMPBELL, Euromarkets Editor

The fall in Eurodollar bond prices which started in September slowed up for nothing more than a technical rally throughout October. The fall in the Bondtrade indices for straight bonds give some indication of what happened:

Table showing Bondtrade indices for September 30 and October 31 for various bond types like Medium term, Long term, and Convertibles.

Interest rates under pressure from the Federal Reserve Board. The Fed's policy of pushing up interest rates derived from its concern on the continuation of risks in U.S. money supply above its target range: the Fed. fears that such rises will fuel inflation.

The weakness of the secondary market for straight bonds brought new issue activity to its lowest level in years. The total value of new U.S. dollar straight bonds to be announced during October (excluding the two \$100m. for ENEL and \$25m. for City Investing, which were withdrawn during the offering period)

was \$190m. In addition to this, two major private placements were also arranged—\$65m. for British Shipbuilders and \$160m. for the U.S. company Reynolds. But there were only five public issues of straight bonds altogether.

of this sector: a large number of issues also enjoyed coupon cuts from the level originally indicated. In fact towards the end of the month the situation became somewhat competitive and several of the new issues sank to steep discounts in secondary market trading immediately after issue.

Slavenburg Oyens & van Eeghen nv

We make net markets for Dutch International and Local Shares as well as all Euro-guilder and domestic bonds. If you need any prices or information or if you would like to receive our monthly bond letter please contact: International Dealing Dept. Keizersoracht 279-283, Amsterdam. Tel: Amsterdam 263363 Telex: 12146

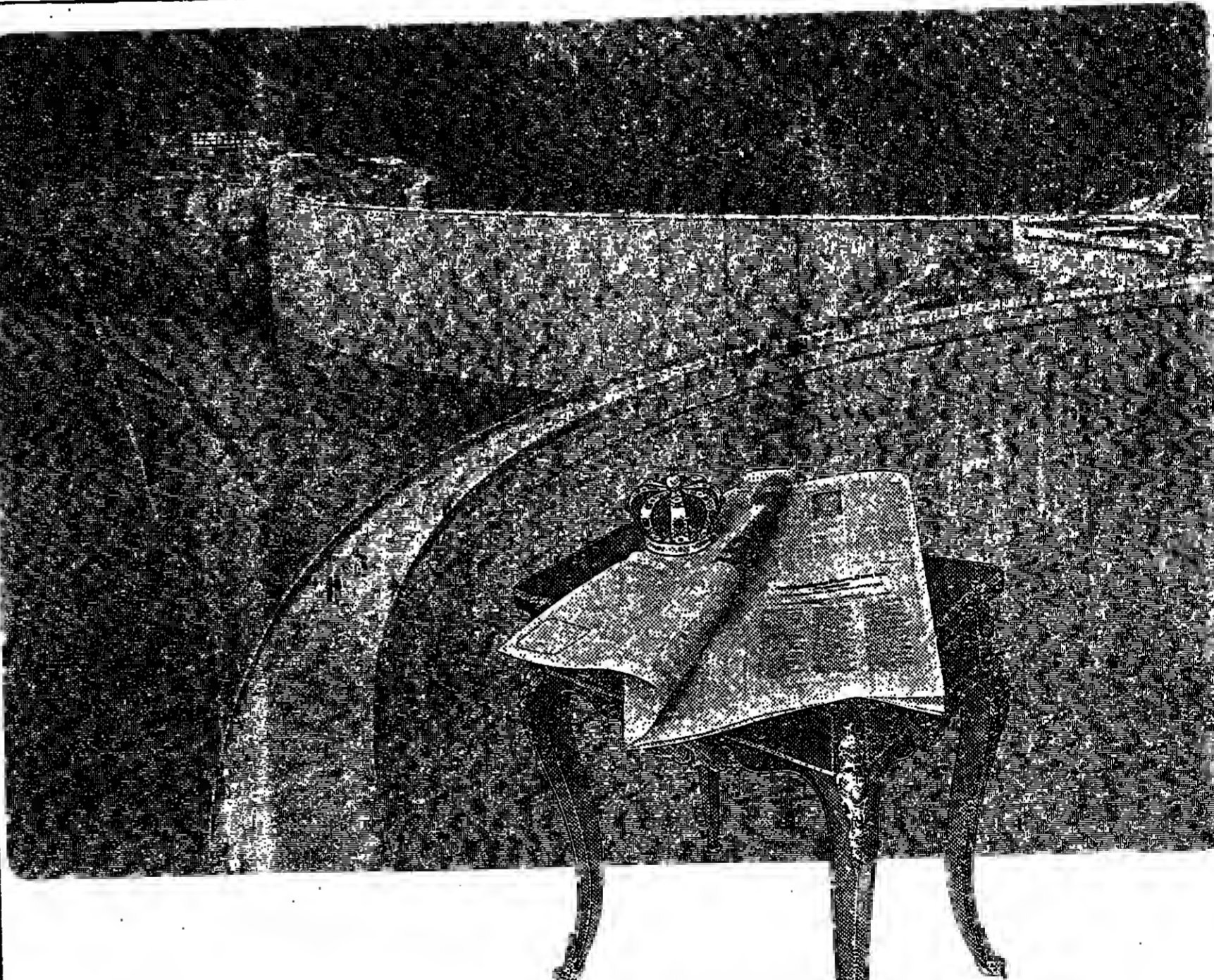
Market Maker 609 in Eurobonds. The following are mid-market Quotations & Yields in Recent Guilder issues

Table with columns for ISSUE, CLOSING MID-MKT Price 4 Nov. 77, and YIELD. Lists various government and bank bonds.

Domestic Stock

RORENTO 128

(One of the Amsterdam Stock Exchange's most actively traded stocks).



Backed by 14 decades and DM 49 billion in assets, Hypo-Bank adds a royal touch to international financing.

At Hypo-Bank, "Modern banking in the finest royal tradition" is more than a slogan. It is the cornerstone of our banking philosophy, and has been since we were established in Munich by royal proclamation in 1835 by King Ludwig I of Bavaria. The start of a rich tradition of royal service to our clients.

issues plus direct access to the Euromarkets via our Luxembourg subsidiary make us a strong, reliable partner. And our re-financing ability is enhanced by our authority to issue our own mortgage bonds.

portfolio management based on our intimate knowledge of the German securities market to ex-in financing and interbank money dealing.



Modern Banking in the finest Royal Tradition

Table with columns: ISSUED/ESTIMATED DOLLARS (M), YEAR OF ISSUE, BORROWER/COUPON MATURITY, PRICE, YIELD, CURRENT YIELD, MARKET MAKERS. Includes entries for various countries like Colombia, Ecuador, and Venezuela.

Table with columns: ISSUED/ESTIMATED DOLLARS (M), YEAR OF ISSUE, BORROWER/COUPON MATURITY, PRICE, YIELD, CURRENT YIELD, MARKET MAKERS. Includes entries for various countries like Argentina, Brazil, Chile, and Mexico.

Table with columns: ISSUED/ESTIMATED DOLLARS (M), YEAR OF ISSUE, BORROWER/COUPON MATURITY, PRICE, YIELD, CURRENT YIELD, MARKET MAKERS. Includes entries for various countries like Peru, Uruguay, and Venezuela.

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كازمان الجليل



Table with multiple columns: COUNTRY, COUPON MATURITY, PRICE, YIELD, MARKET MAKERS. Includes sections for EUROPEAN GOVERNMENT BONDS, EUROPEAN CORPORATE BONDS, and EUROPEAN SHORT-TERM BONDS.

Advertisement for Sumitomo Bank, Limited. Text: 'Financial handiwork. Sumitomo Bank. Where up-to-the-minute computerization helps make business easier and more efficient. But helpful hands will always play a prime part in getting a project done.' Includes bank logo and address: 'The Sumitomo Bank, Limited, Osaka, Tokyo, Kyoto, Kobe, Nagoya and other major cities in Japan.' Also lists London, Düsseldorf, Brussels, Vienna, New York, Chicago, Los Angeles, San Francisco, Seattle, Hong Kong, Singapore, Jakarta, Sydney, Mexico City, São Paulo, Rio de Janeiro, Beirut, Tehran, Cairo.

Advertisement for Austrian Quotes. Title: 'Austrian Quotes Quotations and Yields of Austrian Eurobonds'. Table with columns: ISSUE, COUPON DATES, REPAYMENT, SINKING FUND (STARTING), PRICE (ASKED, CURRENT), YIELD TO MATURITY. Lists various Austrian bonds including D-MARK BONDS, U.S. BONDS, and DOMESTIC ISSUES. Includes a logo for 'GZ Girozentrale Vienna Market Maker in Austrian Eurobonds' and contact information for the Manager Securities Trading Department.

ISSUER	ESTIMATED YIELD (%)	YEAR OF ISSUE	COUPON MATURITY	PRICE	YIELD TO MATURITY	CURRENT YIELD	REDEMPTION DATE	MARKET MAKERS
1973	8.50	12/1/1980	100 1/8	100.00	8.50	8.50	12/1/1980	100 1/8
1973	8.50	12/1/1980	100 1/8	100.00	8.50	8.50	12/1/1980	100 1/8
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1973	8.50	12/1/1980	100 1/8	100.00	8.50	8.50	12/1/1980	100 1/8

كمان التحليل

Financial market data table with columns for 'ESTIMATED DOLLAR VALUE', 'BORROWER/COUPON MATURITY', 'PRICE', 'LIFE/AVG. YIELD', 'CURRENT YIELD', 'MARKET MAKERS', and 'MARKET MAKERS'. The table contains multiple columns of numerical data and company names.

Advertisement for Yamaichi Securities Co., Ltd. featuring a large image of a chef in a kitchen. Text includes: 'If expertise in securities is money, Yamaichi is worth fortunes.', 'With 80 years experience, Yamaichi is one of Japan's foremost securities firms...', and 'A feast for hungry ears.' The advertisement also includes the TDK logo and contact information for various international offices.

Table with columns: ISSUED/ESTIMATED DATED, YEAR OF ISSUE, BORROWER/COUPON MATURITY, PRICE, LIFE/AVERAGE YIELD TO MATURITY, CURRENT YIELD, NET CALL PRICE/NET YIELD, NET CALL DATE/NET YIELD, SECURITY (MORTGAGE/PROPERTY), LEAD MANAGER, MARKET MAKERS.

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Table with columns: ESTIMATED YEAR OF ISSUE, BORROWER/COUPON MATURITY, PRICE, YIELD, CURRENT YIELD, and MARKET MAKERS. Contains financial data for various bonds.

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Table of financial data for various countries including USA, UK, France, Germany, Italy, Spain, Portugal, Greece, and others. Columns include estimated yield, coupon maturity, price, and market makers.

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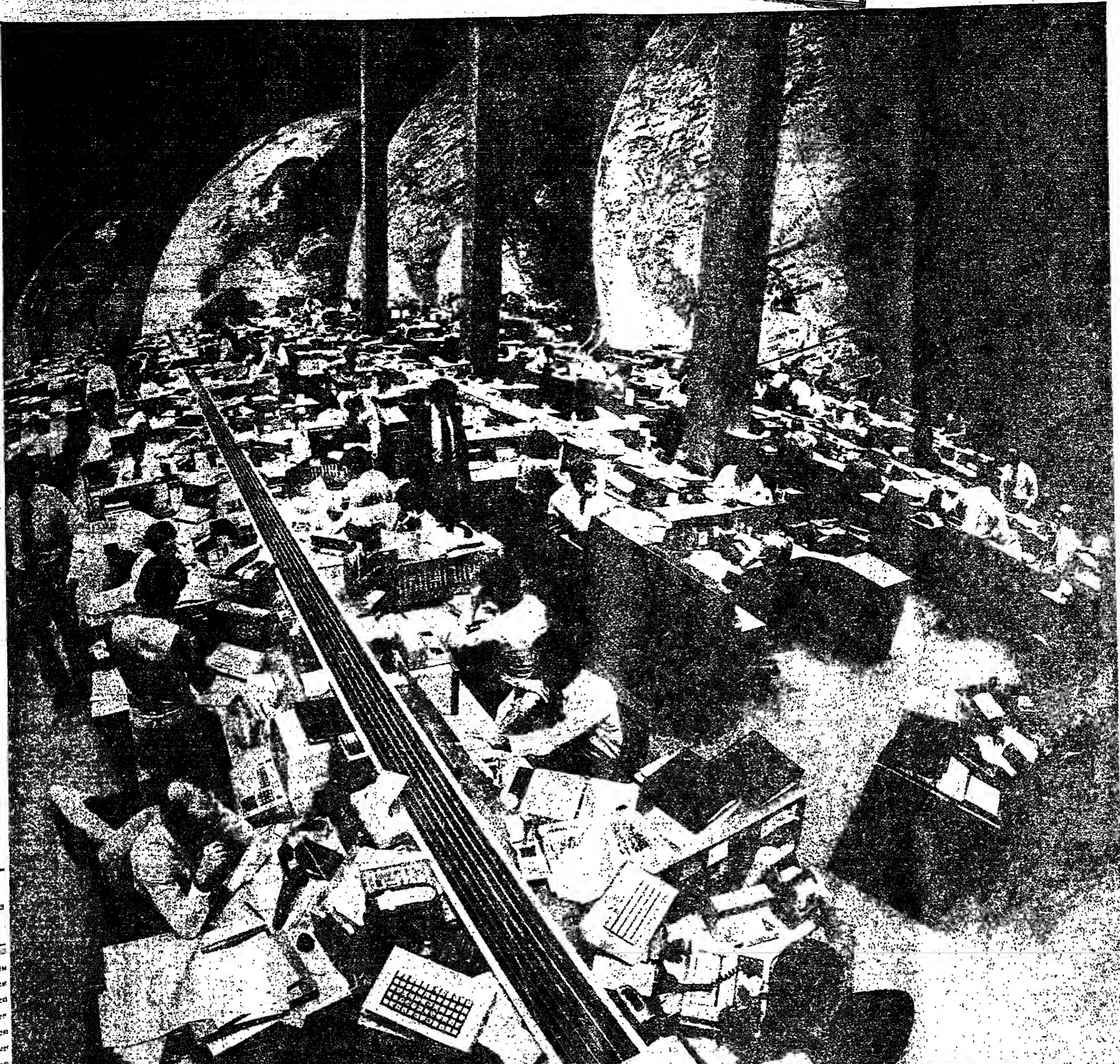
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مركزنا للتداول



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NEW YORK: Salomon Brothers, One New York Plaza, New York, N.Y. 10004 Telephone: 212-747-7575 Telex: 222428 SALBRO Cable: SALBRO  
HONG KONG: Salomon Brothers (Hong Kong Branch), 2907 Alexandra House, 16-20 Chater Rd., H.K. Telephone: 5-250061 Telex: 75495 SALHK Cable: SALBROASIA

Table with columns for Borrower/Coupon Maturity, Bond Price, Yield, and other financial metrics. Includes sections for 'MARKET MAKERS' and 'OTHER NOTES'.

BEOGRADSKA BANKA Floating Rate Notes due 1983. In accordance with Condition 11 of the Notes Notice is hereby given that for the six-month period October 27th 1977 to April 27th 1978 the Notes will carry an interest rate of 8.4375%.

DILLON, READ OVERSEAS CORPORATION. 10 Chesterfield Street, London, W.1. Tel: 01-493 1239 or 01-491 4774. Telex 8811055.

JAPANESE DOLLAR DEPOSITARY RECEIPTS. Table listing various companies and their associated deposit amounts.

WestLB Euro-Deutschmarkbond Quotation

Table of WestLB Euro-Deutschmarkbond Quotation. Columns include Issue, Middle Price, Current Yield, Life, Yield to Maturity, and Redemption date.

EXPLANATORY NOTES AND ABBREVIATIONS

LISTINGS AN = Antwerp, AM = Amsterdam, AS = Americano Stock Exchange... TYPE OF GUARANTEE OR SECURITY 1. GUARANTEES... 2. OTHER SECURITY... SPECIAL REFERENCES 1. GENERAL-ATTACHED TO NAME OF BORROWER...

OTHER NOTES

The amounts shown as remaining outstanding are estimated by applying the scheduled sinking fund instalments... COUNTRY - JAPAN Dollar issues convertible at fixed rate of 81 = 360.0 Yen...

Table of CONVERTIBLE INTO and SINKING FUND PAYMENTS. Lists various international convertible bonds and their redemption details.

INVESTMENT FUNDS

The following funds include Eurobond issues within their portfolios. Quotations & yields as at 31st October, 1977.

Table for SOCIETE GENERALE DE BANQUE BANQUE GENERALE DU LUXEMBOURG. Columns include Fund, Price, First Issue Price, Yield, Div. Date, and 1976/77 performance.

Handwritten note: مكن من الاجل



WestLB Euro-Deutschmarkbond Quotations and Yields

Main table of bond quotations and yields. Columns include Issue, Maturity, Current Yield, and Yield to Maturity. Rows list various international bonds such as ESCOM, ESTEL, Eurofima, and others.

WestLB Euro-Deutschmarkbond Yield Index  
October 31, 1977: 6.44% (September 30, 1977: 6.38%)

Table of yield index data for various bond categories, including Euro-Deutschmark bonds, with columns for issue, yield, and maturity.

WestLB advertisement for current prices and further information. Includes contact details for Düsseldorf, London, and Luxembourg offices.

WestLB advertisement for leading marketmakers in Eurobonds. Lists various international banks and their contact information.

Continuation of bond quotations and yields table, listing various international bonds and their market data.

WestLB Schuldscheindarlehen

Table of WestLB Schuldscheindarlehen (debentures) with columns for maturity (4 year and 5 year), issue, and yield.







INTERNATIONAL COMPANY NEWS
Commonwealth Oil awaits Ashland purchase decision

MINING NOTEBOOK
The ups and downs of an antimony producer

Table with multiple columns listing various financial items, dates, and prices.

Pending dividends timetable

Table listing pending dividends for various companies, including dates and amounts.

COMMONWEALTH Oil Refining cautioned stockholders that it continued to remain uncertain whether Ashland Oil would purchase a controlling interest in the financially troubled oil concern.

He added that if Ashland does not exercise its option "the company will again be faced with critical difficulties and choices not excluding seeking protection under the bankruptcy laws."

A SHARE prominent among readers inquires these days if Consolidated Murchison the South African antimony producer. They mostly stem from holders who took their profits much higher up.

Letter In a letter to shareholders, Mr. Gary W. Davis, President of Commonwealth, said that although Ashland's board had approved subject to various conditions a \$90m. investment in new Commonwealth assets...

Conditions "Until all conditions are fulfilled to Ashland's satisfaction, or waived by Ashland, there can be no assurance that these events will occur."

Messina Another share which is intriguing inquirers is that of the South African copper and industrial group, Messina, whose price is languishing at a lowly 1250, reflecting the gloom that surrounds most producers of this metal.

Debt provision at UDC

UDC HOLDINGS, the banking group in which UDT is a big shareholder and in which SA Breweries also holds an interest, has reported a fall in operating profits for the six months to September 30...

Control of Kuenzler changes hands

A CONTROLLING stake of 84 per cent of the share capital of the Zurich-based bank Kuenzler, which has been sold by Banca del Sempione...

Calgoorlie's gold

When I was last in Kalgoorlie it was alive with optimism over the nickel boom. Big crowds spilled over the roadways...

Public Works Loan Board rates

Table showing Public Works Loan Board rates, including non-quota loans and quota loans.

Money and Exchanges

Bank of England minimum lending rate is 4 per cent (since October 14, 1977). Conditions were generally very easy in the London money market last week...

INSURANCE

Minibus owners must take new act into account. The Minibus Act received Royal Assent in July and is being brought into operation this month...

Adapted

The Minibus Act received Royal Assent in July and is being brought into operation this month. Under the Act the permit holder will be entitled to carry passengers for hire or reward...

RECENT ISSUES

Table listing recent issues of various stocks and bonds.

FIXED INTEREST STOCKS

Table listing fixed interest stocks, including various bonds and their prices.

"RIGHTS" OFFERS

Table listing rights offers for various companies, including the number of shares and prices.

BASE LENDING RATES

Table listing base lending rates for various banks, including A.B.N. Bank, Allied Irish Bank, and others.

FOREIGN EXCHANGES

Table showing foreign exchange rates for various countries, including New York, London, and others.

GOLD MARKET

Table showing gold market prices for various types of gold, including gold bullion and gold coins.

FORWARD RATES

Table showing forward rates for various currencies, including New York, London, and others.

CURRENCY RATES

Table showing currency rates for various countries, including New York, London, and others.

EXCHANGE CROSS-RATES

Table showing exchange cross-rates for various currencies, including New York, London, and others.

EURO-CURRENCY INTEREST RATES

Table showing euro-currency interest rates for various currencies and maturities.

Individual

As things stand it seems the minibus owner is the person best situated to buy the insurance to cover his own use and use of his vehicle by permit holders.

Chamber urges stability

Financial Times Reporter. SMALL COMPANIES should be helped to generate their base of risk capital, the London Chamber of Commerce says in evidence to a Government inquiry.

Table with columns: Authority, Telephone number, Annual gross interest, Minimum life, Maximum life, Bond. Lists various financial authorities and their details.

FINANCE FOR INDUSTRY TERM DEPOSITS

Deposits of £1,000-£25,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received no later than 18.11.77.

OVERSEAS MARKETS

EUROBONDS

Market ends week on better note

BY THE end of last week both U.S. dollar and D-mark securities were less unattractive than earlier in the week. In the D-mark sector the major factor was the relatively small new issue calendar scheduled for November at Monday's meeting of the Capital Markets Sub-Committee. In the dollar sector the reasons were more difficult to discern except by reference to the sharpness of the fall earlier in the week.

Whether the coupon rise will prove sufficient to make the issue go was still being argued on Friday evening. But the issue managers still have flexibility on the issue price. The calculation of the secondary market generally rather than strict security in pricing was needed while the original terms of Norsk Hydro were viewed as high.

and other problems could be solved by requiring actual payments to be made to non-sterling currencies although all payments connected with the issue would technically be de-dollarized to sterling.

BONDTRE INDEX AND YIELD

Table with columns for Bond Type (Medium term, Long term, Convertible), Index (Nov 6, Oct 76, High, Low), and Yield (1977, 1976).

Indices

NEW YORK - DOW JONES

Table showing Dow Jones Industrial, Transport, Utilities, and Total Index values for Nov 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1977, and 1976.

STANDARD AND POORS

Table showing Standard and Poors Industrial, Composite, and Total Index values for Nov 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1977, and 1976.

N.Y.S.E. ALL COMMON

Table showing N.Y.S.E. All Common Stock Index values for Nov 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1977, and 1976.

MONTEREAL

Table showing Montreal Stock Index values for Nov 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1977, and 1976.

JOHANNESBURG

Table showing Johannesburg Stock Index values for Nov 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1977, and 1976.

GERMANY

Table showing German Stock Index values for Nov 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1977, and 1976.

JOHANNESBURG

Table showing Johannesburg Stock Index values for Nov 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1977, and 1976.

AUSTRALIA

Table showing Australian Stock Index values for Nov 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1977, and 1976.

PARIS

Table showing Paris Stock Index values for Nov 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1977, and 1976.

OVERSEAS SHARE INFORMATION

NEW YORK

Large table listing various overseas share information for New York, including company names, prices, and yields.

CANADA

Table listing various overseas share information for Canada.

TOKYO

Table listing various overseas share information for Tokyo.

COPENHAGEN

Table listing various overseas share information for Copenhagen.

BRUSSELS/LUXEMBOURG

Table listing various overseas share information for Brussels/Luxembourg.

NOTES: Overseas prices outside U.K. are in local currencies unless otherwise stated. All prices are subject to change without notice.

THE TRAVEL INDUSTRY

The Association of British Travel Agents opens its conference in Lisbon

to-day, and the American Society of Travel Agents has been meeting in Madrid. Changes in the world travel business are reflected in the fact that while all is not well with the American market, the British and many Europeans are optimistic about 1978.

Europe moves abroad again

seen in the States. In Miami Beach there are hotels which have adjusted their dining hours to cope with the somewhat later eating habits of the Euro-trippers.

In the happy hunting grounds of European tourism, the Mediterranean basin, British, French, Scandinavians and the American tour operators are finding themselves increasingly tough competition with the Mark-filled wallets of their German counterparts.

Efforts

No one really expects the American market to revive in any spectacular way in the near future—in spite of efforts to stimulate a comeback by devaluation (Mexico and Jamaica) and increased marketing efforts.

Agents feel the pressure

STANDING ON Hyde Park corner one Sunday a few years ago, I was warned that the end of the world would occur the following Saturday.

So wrote Mr. Allan Beaver, managing director of a west London travel agency in a letter to a trade paper recently.

There is considerable justification in Mr. Beaver's flag waving several years ago such travel industry notables as Mr. Tom Sullick, then the whiz-kid head of Clarksons, was suggesting at Association of British Travel Agents conventions that the march of the multiple and the computer spell danger for the little man.

average. Since we know from published figures that many of the better known agency chains do rather better than this poor branch it is clear that there are a great number of independent operators which do considerably worse—often paying High Street rents and High Street overheads as well as employing one or two staff into the bargain.

The pressure has begun to show. While costs have risen in the past three years the amount of commission available to the trade has shrunk thanks to economic pressures which have diminished the demand for travel. Growth areas such as car rental, domestic packages and business travel have all helped to ease the burden but they have scarcely compensated for the alarming decline in easily sold, high commissioned, package tour traffic.

Detached

The salvation of the small retailer in travel has been that he is in a protected business. For the moment at least Tesco, Sainsbury and Debenhams face considerable difficulties if they choose to enter the business.

Continued on page 31

This survey was written by ARTHUR SANDLES

British market topped 10m. in 1973 (£1.5m. if trips to Ireland and cruises were included).

The major difference between world trends and British trends has been seen during the past year or so. Internationally, although there was a gentle rise in the numbers of people travelling there was a very sharp rise in the amount of money they spent, an increase which has shown every sign of continuing this year.

However, the prediction business, either nationally or internationally, is a tricky one these days. Travel is sensitive to so many variable elements, although perhaps not as sensitive as might at first be assumed.

Optimistic commentators would suggest that most economies are on the upturn: that currency rates for the tourist generating nations will first stabilise; that air fares will either fall or show lower increases than can be seen in the rest of the consumer market

place; and that we are in for a purely political. The pessimists look concernedly at continued American disquiet; the currency upsets produced by over-strong marks and yen; the low profitability of airlines and thus the pressure for higher fares; and the activities of hijackers and kidnappers against a background of rising industrial unrest in much of the developed world.

To say that the truth lies between the two would be superficially naïve. The truth unfortunately is likely to be a mixture of both, and the difficulty for anyone with investment in the travel world is to decide what the elements of the mix are likely to be.

What would really make the U.K. travel business happiest is to see the return of that mid-bread and butter of the trade, the middle-class family holiday-maker, to the travel agency counter. High taxation, rapidly rising domestic costs, and job nervousness, have all tended to hit hardest at the £3,000-£10,000 a year family with small children and a large mortgage.

This certainly seems to be the attitude at the moment within the British travel business, hardly surprising. A basic pack-

age for four people in the school holidays to a Mediterranean resort now costs around £500. With spending money the holidaymaker is actually laying out something over £1,000 in pre-tax earnings for holiday— in many cases probably as much as he is paying in mortgage or rent for the whole year.

Taxation

Given these figures it is not odd that the travel industry has found its growth market to be the business traveller and its dependable holiday market to consist of the well-paid unmarried or childless and those whose cash businesses somehow allow them to pay their holiday bills with used notes rather than cheques.

The travel industry is no different from any other in yearning for a period of stability upon which to plan. It feels that it has had enough of ups and downs and uncertainty. As the British travel agents meet this morning they take a view of a world which they feel offers them a little more hope of stability, at least of the market if not in their own business environment, than they saw a year ago when they fought their way through Greek traffic to deliberate in Athens.

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THE TRAVEL INDUSTRY II

Costs threaten the package

IF EUROPEAN tour operators have nightmares there is one central figure in them—a Spanish hotelier. If it were not for him the tour men of Britain, Germany and Scandinavia would be feeling quite cheerful about the coming season, although they might have a few sour thoughts about the air traffic controllers of various nations.



Lisbon, the venue for this year's British Travel Agents conference.

The Spanish hotel industry has been going through a trying time and its agonies have been reflected in package tours throughout the past summer. More recently price negotiations have meant that many operators have had to rewrite the price panels in the glossy brochures which are on offer to north European consumers. Tour operators might sympathise with the Spaniards but that sympathy is hard to sustain when guests suddenly rise, regardless of the contract.

Unfortunately the tour men have realised that there is little point in taking legal action to enforce contracts. In many cases hoteliers have been faced with a position under which they risk such action but remain solvent or run headlong into bankruptcy by subsidising every visitor. The tour operators know that they must pay up or not have beds at all for their customers.

The symptoms of the problem have been apparent for much of the past summer, with outbreaks of overbooking, a massive switch to buffet meals in tourist hotels and even the occasional strike. All this is, of course, the price that has to be paid for the democratisation of Spain. British tour operators who had little freedom of expression under Franco now find themselves with the ability

to both speak and act. The readjustment has been painful. Hotels now find they not only have to pay higher wage rates, but also must offer their staff a considerably greater continuity of employment than was the case in the past. Thus, seasonal operations can no longer rely on the ability to take on and lay off personnel with the ease that they could in the past. By most international standards Spanish hotel prices are still remarkably low, but consumers have become so accustomed to cut-price accommodation that they are finding the graduation of the Spanish hotel industry into the real economic world a disturbing one.

British Airways for one had to proceed with its summer brochure launch without copies of the brochures—all of them had been delayed at the printers while the price panels were rewritten. If anything, however, BA were fortunate, as some operators had long since put their brochures out to the trade.

All this is happening against a background of increasing consolidation in the tour operating market place. More than half the market is now supplied by six operators—Thomson, Cosmos, British Airways (Sovereign and Enterprise), Laker (with Arrowsmith), Horizon and British Caledonian (Blue Sky)—and if other significant forces such as Global, Swans and Elterman are added the portion left to the dozens of other operators still clutching their licences from the Civil Aviation Authority is slim. Some of these supposedly small operators are, of course, financially highly successful, particularly in specialised areas such as villa rental and long haul up-market tours, but life is getting tough for the smaller budget-priced holiday company.

In the late 1960s several companies were caught badly in the trap of low margins. In the scramble for growth there was a tendency to offer massive supply and then fight it out in the market place. The short sharp lessons of Clarkson and the oil crisis brought a degree of sense to tour company management. To-day the majors tailor

could perhaps, be further developed. With CAA consent the majors were able to legalise the back door and this summer there has been an abundance of low priced fares on offer, provoking the scheduled carriers into a sizeable rethink. The need to sell these low cost seats comes from the continued pressure on tour operating margins. A recent survey of the travel industry by Jordan Dataquest showed that recently remarkably few major operators manage to get a higher profit sales percentage than five (in fact only Horizon, Midlands, Thomson and Wings managed it in the year under review), showing the remarkable sensitivity of the business. Translated into practical terms it means that if delays or problems affecting a jet-load of 100 people cost a company more than £5 a person, the tour is likely to become a loss-maker—and the past summer has seen plenty of delays in that league.

In the late 1960s several companies were caught badly in the trap of low margins. In the scramble for growth there was a tendency to offer massive supply and then fight it out in the market place. The short sharp lessons of Clarkson and the oil crisis brought a degree of sense to tour company management. To-day the majors tailor

Brochures

Things came to a head a month or so ago when hoteliers throughout Spain said they would not honour their contracts with British tour operators for the summer of 1978. Devaluation of the peseta had produced local inflation which simply could not be stomachied, they argued, and that same devaluation had put money into the tour operator's pockets (contracts tend to be written in pesetas) and so they could well afford an increase.

Investment

Newcomers in the sense of some massive industrial company deciding to diversify into travel and tour operating are highly unlikely. Others have tried in the past with mixed fortunes — it took Thomson a long time to get it right and the Midland Bank has hardly been boasting about its investment in Thomas Cook. But there is some concern about intervention from abroad. American Express, still

Association survives

THERE IS little doubt but that a large section of the delegates to the annual convention of the Association of British Travel Agents in Athens in 1976 believed that it would be the last meeting of the organisation as it then existed. The threats to ABTA were considerable, notably from the Office of Fair Trading, which was taking a very critical view indeed of the closed shop rules which form the very basis of ABTA's existence. Now, a year has passed and ABTA is still with us, not least because no one can think of anything to replace it.

Interests

Another indication of mood came recently when ABTA's presidential election. Although Laker's Mr. Gordon Carroll and the chairman of the Tour Operators' Study Group, Mr. Harry Chandler, appeared to be the front runners, it was clear that many of the members in fact opted for someone whose major interests are in retailing and domestic travel. Mrs. Margaret Hook of Wallasey, Merseyside, has already started to repay that voting debt with much talk of "grass root democracy within ABTA."

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Staffing

By insisting that retail travel agency outlets have certain minimum staffing and are forbidden to sell anything but travel or travel-related products (and there is even argument whether maps, guide books and travel bags are such products) the retail side prevents the intrusion of too many outsiders.

In return ABTA has a system of cross-insurance and bonding which financially protects consumers in the event of a collapse either by a tour operator or a retail agency. The system, which often involves ABTA tour members putting their aircraft at the disposal of the Association, has been seen to work in spectacular fashion in recent years. In the midst of recent scrutiny ABTA wrote to the Department of Trade: "We agree that it is necessary for the Minister to ensure and be satisfied that there is a proper balance between free competition and consumer protection. When all the papers have been read and the statements made it is difficult to come to any other conclusion but that ABTA operates in just such a way providing a host of exceptional safeguards for

Staffing

Each of the agony lies over whether ABTA sees itself as the rule maker or the referee in

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Advertisement for metropolitan Travel Limited, listing services like Business Travel, Trade Missions, Incentive Travel, Conference & Exhibitions, Trade Fairs, Group Travel, Individual Inclusive Tours. Includes contact information: 75-80 Petty France, London SW1H 9RTA, Tel. 01 222 9123.

مكتبات الأصيل





THE TRAVEL INDUSTRY IV

All the fun of the air fares

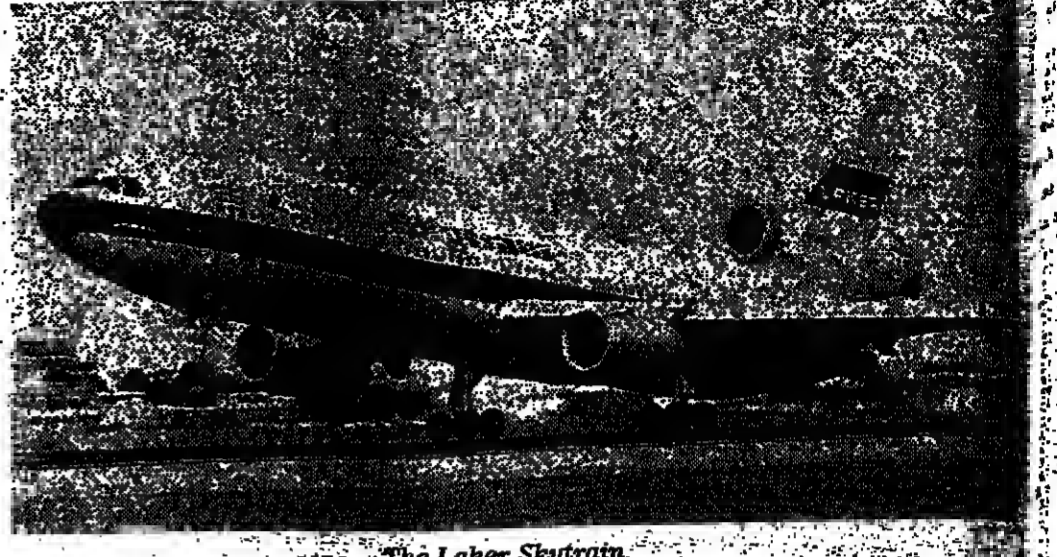
IT HAS been quite a year in the airline business. Traffic showed signs of a revival; new low fares proliferated within the U.S., on the North Atlantic and to parts of Europe; Concorde started going to New York and so did Laker; the Bermuda agreement was renegotiated; and air traffic control disputes turned the airways of Europe into a sluggish morass at times. Well, no one could say it was dull.

Effectively in the coming 12 months. Already Mr. Reg Pycroft's Jet-serve, in allegiance once more with TWA, has broken the £100 return price barrier as a lead price for London-New York. What more is there to come?

To understand the goings on in air travel one has to understand the motives of the people involved, and they are not always clear to see never mind clear to understand. The motives of the airlines themselves, from Laker to Pan Am, are simple enough—to stay in business, to make money and if possible to grow. But their lives are controlled by forces beyond those of straight competition.

British Civil Aviation Authority which tends to be something of a European pace-setter. Unfortunately the Government agencies are often themselves at odds with the Governments for which they act—is it doubtful in Britain whether Westminster is quite so wedded to competition as the CAA, and doubtful in the U.S. whether the CAB is quite as keen on freedom in the skies as the Carter administration. Add to this particular brew a surfeit of aircraft and you have a formula for the sort of flying maze that presently exists.

recruited to curb the activities of the supplementals and LATA itself at last began to show signs of new thinking. The result was new fares, new regulations and a much tougher line towards the charter companies. It began to be a case of over-kill, particularly in the U.S. and Canada, with only the most sophisticated of the charter carriers, people like World Airways and Laker, able to ride the storm.



The Laker Skytrain

Beneath all this excitement, however, lies the fact that the world airline business is still suffering from needs which at times seem opposed. In order to fill the airline seats which are available the operators need more passengers, and in order for those same operators to stay in business they need more money from those passengers.

Similar

The main governmental agencies with which IATA and the airlines find themselves dealing with are the American Civil Aeronautics Bureau and the various other similar national bodies, notably the

In essence the agencies of both Britain and the U.S. are dedicated to maintaining a mixed flying economy. In other words they are keen to have a system which offers both healthy scheduled carriers and a reasonable supply of charter operations. Unfortunately the basic position of over-supply makes such an ideal world difficult to achieve.

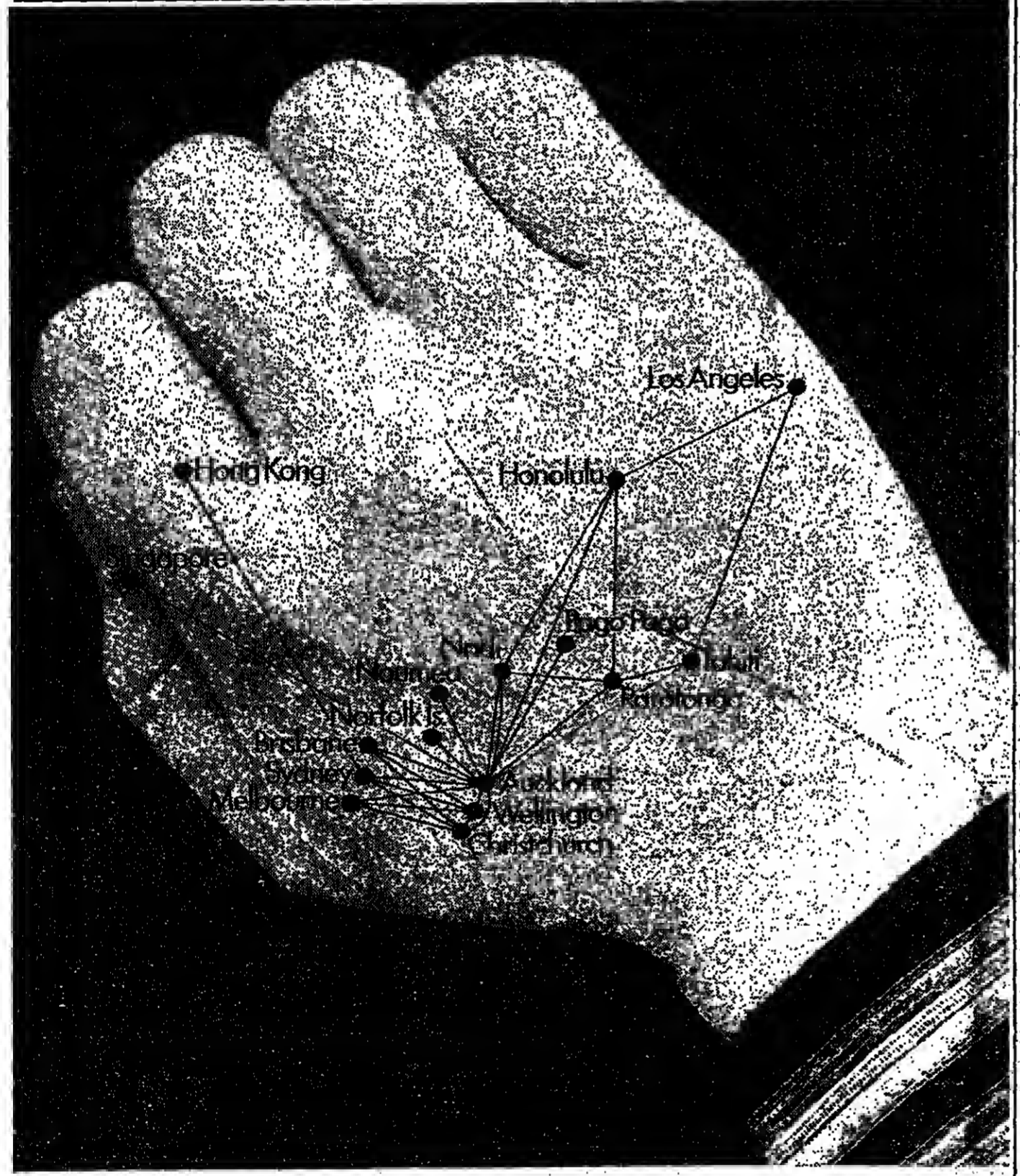
The first real move to formalise the charter service and remove many of the anomalies which were giving the business a bad name was the introduction by the British of Advance Booking Charters, a system which is now firmly established on both sides of the Atlantic. This gave the charter companies considerable help, but the response quickly came from the scheduled carriers in the form of Advance Passenger Excursion (APEX) fares. Since then the flow of move and counter move has been quicker than in a fast moving poker game. Budget fares, super-package fares all abound. Now the American authorities have proposed reducing the advance booking period for charters to 15 days, and abandoning or reducing the minimum stay requirement. There are those in the scheduled airline business who would regard such new

Unjust

Whether or not there will be smiles on the faces of the airlines at the end of the year remains to be seen. Although there have been protests to the contrary it does seem unlikely that the low fares will rely entirely on new traffic. Some at least is likely to have been diverted from a higher fare bracket. That being the case there will be an element of revenue dilution which will mean that the airlines themselves will be looking for some higher load factors than those to which they have been used. In the middle of this year flights across the Atlantic were on average about two-thirds full, indicating that there are still a

great many empty seats available, and there are some still well-known carriers who struggle along with load factors in the fifties. The best thing that could happen all round is that the low fares do produce new traffic, and that full fare custom retained a measure of its growth. Then the pendulum might well swing back to it is and not swing back to over-protective mood which pushes fares up and plays for financial caution rather than market buoyancy.

of the small feeder airlines carried 23,600 passengers. This seems to be a universal trend. In the U.S., while many of the interstate companies is less than a year old, have been having their own carrying more than 1,000 passengers flying within a month and now the airlines seem to be having a happy time. In Europe too the same growth of small airlines has been one of the major features of the French aviation market for some years and in Britain companies such as Air Anglia and Brymon Airways have proved that there is considerable demand for their services. In Britain Brymon started operations in 1972 but last year



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IT HAS BEEN very nice of late to see hoteliers with smiles on their faces once more. Life in the hotel business had grown very dreary. It was inevitable really. There was a world-wide building spree riding hard on the heels of the late 1960s tourist explosion, and suddenly many of the world's major cities found themselves with more hotels than visitors. Rates were depressed and margins cut to ribbons. Whether you were in the Caribbean, Benidorm or Birmingham the story was much the same.

Encouraging year for hoteliers

much less than their building costs. Room rates were being cut so severely that airlines were unable to secure first class accommodation for their crews for as little as £5-25 a night. Some hoteliers are still trying to shake that sort of spell off. When the change in demand came, thanks perhaps to the depression in the value of sterling but also surely because growth was actually catching up with demand, the impact was obvious. In many recent months it has been extremely difficult to find accommodation in upper bracket hotels in some of Britain's major cities (the smaller hotels suffered from the overcrowded image that this produced overseas). And room rates rocketed. Not only did this lead to added tariffs rise, but to this had to be added the fact that the published tariff suddenly became the rate the hotel was actually charging, so the real rise was even bigger than it appeared.

extremely strong passenger cap that with a purchase of the Strand Palace and Regent Palace just as the tide was on the rise is seen as a shrewd move indeed. Even now, however, the decision over building new hotels in London is not an easy one. Building costs are extremely high. It is difficult to see how luxury hotels could be built in central London for much less than £40,000 a room, which conventional rules of thumb terms wears a rate of at least £40 a night, which some hoteliers might be getting now some of the time. Past experience has shown that even the highest investments in hotels are justified in the long run. What London hotels are concerned about is inflation, particularly in the question of wages. As is mentioned elsewhere in this survey, Spanish hoteliers have found themselves in a position where two and two don't make four. In their own conversations, admirations for Sir Charles Forte and his company in whisking away the Strand's prime properties in vice continues to be a disappearing feature of hotels around London at what is now seen to be a remarkably low price. Throughout the hotel boom, Trust Houses Forte maintained an impressively cautious approach and thus was able to ride out what was for a time an

Says the man from Sheraton: "We make no secret of it. Everyone knows. We want a 500 bedroom hotel in London and we are prepared to pay for it." For Sheraton and London read Marriott / Hilton / Intercontinental and virtually any major city in the world where these four are not already represented, particularly if that city is in the Middle East.

Unjust. Condemnation of the hotel industry for these increases is a little unjust, although presumably not entirely so. Room rates during the period of sluggish demand remained consistently lower in their rate of increase than the cost of living index. Hotels were able to make up for this during the post year. Greenec Bertram Smith reckoned in mid-year that the rise had been as high as 23 per cent, and were able to make the headline-grabbing comment that you could now price London hotels at the rate of £10 a star, with central London five-star properties charging £50 a night for bed and continental breakfast once VAT and service had been added.

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مكازم الترحيل

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Table of authorised unit trusts including sections for 'The British Life Office Ltd', 'Gibbs (Antony) Unit Tr. Mgrs. Ltd.', 'Growth Fund Managers', and 'Discretionary Unit Fund Managers'.

Table of authorised unit trusts including sections for 'Perpetual Unit Trust Mgmt. Ltd.', 'Fidelity Unit Tr. Mgrs. Ltd.', 'Growth Fund Managers', and 'Legal & General Trusts'.

Table of offshore and overseas funds including sections for 'Arbutnot Securities (C.I.) Limited', 'Fidelity Mgmt. & Res. (Bda.) Ltd.', 'Barclays Bank Ltd.', and 'Capital International S.A.'.

Table of offshore and overseas funds including sections for 'Kemp-Gee Management Jersey Ltd.', 'Keresley Mgt. Jersey Ltd.', 'King & Shaxson Mgt. Jersey', and 'Schroder Life Group'.

Index Limited 01-351 2466. Gold 1643-1672. Tax-free trading on commodity futures. The commodity futures market for the smaller investor.

Table of insurance base rates for property growth, annuity, and other insurance products.

Table of financial times stock indices for various sectors like Investment, High Income, and Dividend Growth.

Table of financial times stock indices for high and low sectors, showing performance metrics.

Table of financial times stock indices for Hong Kong and Singapore markets.

Table of financial times stock indices for various international and regional markets.

Table of insurance, property, and bonds products offered by various companies.

Table of insurance, property, and bonds products offered by various companies.

Table of financial times stock indices for various international and regional markets.

Table of financial times stock indices for various international and regional markets.

Table of insurance, property, and bonds products offered by various companies.

Table of insurance, property, and bonds products offered by various companies.

NOTES: Prices do not include 5% premium, commission, and other charges. For other funds, please refer to the London & Manchester Group.



INDUSTRIALS - Continued. Table listing various industrial companies with columns for Name, Price, and other financial metrics.

INSURANCE - Continued. Table listing insurance companies and their stock prices.

PROPERTY - Continued. Table listing property-related companies and their stock prices.

INV. TRUSTS - Continued. Table listing investment trusts and their stock prices.

FINANCE, LAND - Continued. Table listing finance and land-related companies and their stock prices.

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MINES - Continued. CENTRAL AFRICAN. Table listing mining companies.

AUSTRALIAN. Table listing Australian companies.

TINS. Table listing tin-related companies.

OVERSEAS TRADERS. Table listing overseas trading companies.

COPPER. Table listing copper-related companies.

MISCELLANEOUS. Table listing various miscellaneous companies.

RUBBERS AND SISALS. Table listing rubber and sisal companies.

TEAS. Table listing tea-related companies.

India and Bangladesh. Table listing companies from India and Bangladesh.

Sri Lanka. Table listing companies from Sri Lanka.

Africa. Table listing companies from Africa.

MINES. Table listing mining companies.

CENTRAL RAND. Table listing Central Rand companies.

EASTERN RAND. Table listing Eastern Rand companies.

FAR WEST RAND. Table listing Far West Rand companies.

O.F.S. Table listing O.F.S. companies.

FINANCE. Table listing finance companies.

DIAMOND AND PLATINUM. Table listing diamond and platinum companies.

MOTORS, AIRCRAFT TRADES. Table listing motor and aircraft trade companies.

SHIPPING. Table listing shipping companies.

SHOES AND LEATHER. Table listing shoe and leather companies.

SOUTH AFRICANS. Table listing South African companies.

NOTES. Text providing financial notes and market commentary.

INSURANCE. Table listing insurance companies.

PROPERTY. Table listing property companies.

INV. TRUSTS. Table listing investment trusts.

FINANCE, LAND. Table listing finance and land companies.

INDUSTRIALS. Table listing industrial companies.

REGIONAL MARKETS. Table listing regional market data.

OPTIONS 3-month Call Rates. Table listing options and call rates.

PROPERTY MATTERS

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Monday November 7 1977

Relative Strength

Relative strength is the difference between a stock and a hedged investment...

THE LEX COLUMN

Carter vetoes nuclear reactor Bill

BY DAVID BELL

PRESIDENT CARTER, using the Presidential veto for the first time since taking office...

Mr. Carter said that the project, which would make a by-product possible...

The Clinch River scheme, which has become a key symbol in the debate about nuclear development...

Senator Frank Church, a leading supporter of the breeder, attacked the President's action...

Other nations have already crossed the threshold of the plutonium age...

As if to underline the difficulty in monitoring use of nuclear fuel...

FT Monthly Survey of Business Opinion

Mini-budget fails to boost business confidence

THE GOVERNMENT'S late-directed October mini-budget of tax cuts and additional public spending...

This is shown in the latest Financial Times survey of business opinion published this morning...

The main interviews were undertaken before the Chancellor's statement on October 28...

Most companies had a fairly neutral reaction to the mini-budget on the view that it was much as expected...

There is some concern about the impact of the slow growth in world trade...

A marked upgrading of expectations about future levels of capital investment is, however, shown this month...

Industry remains cautious, however, about its need for extra labour during the next 12 months...

Business Opinion Survey Page 8

EARNINGS ON CAPITAL table with columns for July-Oct, June-Sept, May-Aug, Apr-Jul, and Shipping.

Euro-Communist tension mars Moscow celebrations

BY DAVID SATTER

FINAL PREPARATIONS were under way for to-morrow's culmination of the week-long celebration of the Soviet Union's 60th anniversary...

More than 100 delegations from foreign Communist and Left-wing parties...

The snow-covered Soviet capital is decorated with thousands of red flags and banners...

barred from speaking in the Kremlin because of his late arrival in Moscow...

open disagreement. Mr. Viktor Afanasyev, Editor-in-Chief of the Communist Party Newspaper Pravda...

UPI adds from Hong Kong: China, in an unexpectedly warm greeting, congratulated the Soviet Union on the 60th anniversary...

The message, carried by the official New China News Agency monitored in Hong Kong...

Human rights campaigners staged a demonstration at a British Soviet Friendship Society evening...

Price of Soviet Achievement, Page 27

Amazing Treasury 'wogs' speech

A highly confidential briefing meant deficit through our current foreign exchange...

As for the financial community on Wall Street, think of how warmly they regard us...

Our reputation among Swiss and German financiers has been restored in a remarkable way...

In your future careers here local bankers for the way in which you will, I am afraid, have to get used to which we had given them such malicious and ill-informed comment from outsiders...

"I may say that those in the City who called so loudly and eagerly for sterling to be freed...

At the depths of the crisis a year ago we issued ultra-high coupon stocks at just under par...

It has become noticeable, during the past week that our critics have been misled to find fault with whatever our policy we were wrong...

"Just imagine how grateful the American Government is to us for many months we have been financing a large part of the U.S. current balance of pay-

have changed, however, extent of our generosity. To work out the cost of our policy...

It does, of course, give a deal of satisfaction that we should so quickly have been down again...

These alternatives look less attainable.

Take the money: "This weakness of currency does, however, pose the problem that our foreign assets may not be able to realise the parity...

Our reputation among Swiss and German financiers has been restored in a remarkable way...

Recent market movements...

Mirror disrupted by journalists over pay claim

BY ALAN PIKE, LABOUR CORRESPONDENT

PRODUCTION of the Daily Mirror in London was again disrupted last night as members of the National Union of Journalists held meetings over a pay claim...

This followed the failure of the Sunday Mirror and Sunday People to publish in London last night and action which lost the Daily Mirror nearly 2.7m. copies last week...

Mirror Group journalists who have not settled a Phase Two agreement deferred from July...

They have rejected a management offer which would give them the Phase Two increase...

British Rail curbs losses on freight operations

BY IAN HARGREAVES

BRITISH RAIL'S freight traffic has again failed to rise to predicted levels...

It seems likely that freight volumes will be about 176m. tonnes—the same as last year...

The financial picture is less clear, but there is confidence in British Rail that the year end will see rail freight comfortably within the £26m. loss limit set by Government...

tonnes off the budgeted figure. Volumes of chemicals (up 4 per cent.), petroleum (up 3 per cent.) and earth and stone (3 per cent.) have compensated to some extent for these losses...

While the Government is always looking for the chance to renege some of this debt, few new loans are available for more than five to seven years...

But where longer term money is available—such as the recent National Coal Board 10-year Eurobond loan—it is being taken up...

According to a Treasury analysis, published earlier this year, a total of \$6.8bn. of U.K. public sector foreign currency debt is due for repayment next year...

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Weather forecast table with columns for U.K. Today, Tomorrow, and Holiday Resorts.

Rhodesia talks

events of the past two weeks—with the imposition of mandatory arms sanctions...

The Rhodesian view is that unless Britain takes the tough political decisions necessary to end the internal settlement...

Loan repayment would be large penalty payments. While the Government is always looking for the chance to renege some of this debt...

But where longer term money is available—such as the recent National Coal Board 10-year Eurobond loan—it is being taken up...

Business Centre table with columns for various cities and their respective times.

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